From:	Methanestrategy, NM, NMENV
To:	Spillers, Robert, NMENV
Subject:	Fw: Kinder Morgan, Inc. - Comments on NMED"s Proposed Ozone Rule
Date:	Thursday, September 17, 2020 9:51:23 AM
Attachments:	Kinder Morgan Inc. - NMED Proposed Ozone Rule - Final (Sept. 16 2020).pdf

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From: Gutierrez, Ana <ana.gutierrez@hoganlovells.com>
Sent: Wednesday, September 16, 2020 4:50:17 PM
To: Methanestrategy, NM, NMENV
Cc: Jessica Toll; Hamm, Douglas; LaManna, Julia; Gutierrez, Ana
Subject: [EXT] Kinder Morgan, Inc. - Comments on NMED's Proposed Ozone Rule

On behalf of Kinder Morgan, Inc. and its subsidiaries and affiliates, El Paso Natural Gas Company, L.L.C., TransColorado Gas Transmission Co., LLC, and Natural Gas Pipeline Company of America, LLC, attached please find comments on New Mexico Environment Department, Bureau of Air Quality's proposed rules regarding emissions standards applicable to oil and gas operations located in certain counties in New Mexico.

Regards,
Ana

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September 16, 2020

New Mexico Environment Department
Air Quality Bureau
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Santa Fe, NM 87505
Submitted via electronic mail: nm.methanestrategy@state.nm.us

Re: Kinder Morgan, Inc. and Its Subsidiaries' and Affiliates' Initial Comments on the New Mexico Environment Department's Proposed Rules Regarding Emissions Standards for Oil and Gas Operations

On July 20, 2020, the New Mexico Environment Department, Bureau of Air Quality ("NMED"), published proposed rules regarding emissions standards applicable to oil and gas operations located in certain counties in New Mexico (the "Proposed Rules"). Kinder Morgan, Inc. and its subsidiaries and affiliates, El Paso Natural Gas Company, L.L.C. ("EPNG"), TransColorado Gas Transmission Co., LLC ("TransColorado"), and Natural Gas Pipeline Company of America, LLC ("NGPL") (collectively, "Kinder Morgan," "we," or the "Company") respectfully submit these initial comments to the Proposed Rules. Kinder Morgan thanks NMED for its diligent efforts to consider and address stakeholder feedback prior to a formal rulemaking, and we look forward to working with the agency to resolve outstanding issues and concerns.

I. INTRODUCTION TO KINDER MORGAN

Kinder Morgan is one of the largest energy infrastructure companies in North America. In New Mexico, Kinder Morgan operates approximately 3,595 miles of pipelines and owns assets in 23 counties throughout the state, including in counties that are the subject of the Proposed Rules.[1] In New Mexico alone, Kinder Morgan employs approximately 180 individuals, maintains a payroll of over $16.6 million, and pays approximately $8.8 million annually to local and state taxing bodies.

EPNG operates a 10,140-mile pipeline system which transports natural gas from the San Juan, Permian and Anadarko basins to California, Arizona, Nevada, New Mexico, Oklahoma, Texas and Northern Mexico. TransColorado operates a 310-mile natural gas pipeline system that extends from the Greasewood area pipeline interconnects in Rio Blanco County, Colorado, to a point of interconnection with El Paso Natural Gas, Transwestern, and Southern Trails interstate pipelines at the Blanco Hub located in San Juan County, New Mexico. NGPL is the largest

[1] Kinder Morgan operates assets in the following New Mexico Counties: Chaves, Cibola, Curry, De Baca, Doña Ana, Eddy, Grant, Guadalupe, Hidalgo, Lea, Lincoln, Luna, McKinley, Otero, Quay, Roosevelt, Sandoval, San Juan, Santa Fe, Socorro, Torrance, Union and Valencia.

transporter of natural gas from Texas into the high-demand Chicago-area market. NGPL provides its customers access to all major natural gas supply basins directly and through its numerous interconnects with intrastate and interstate pipeline systems.

Given the scope of Kinder Morgan's operations in the state of New Mexico, the Proposed Rules would directly and significantly impact the Company. Prioritizing the protection of public health, safety, welfare, and the environment is consistent with Kinder Morgan's internal policies and operational practices, and as a result, Kinder Morgan generally supports judicious and practical regulations. In fact, Kinder Morgan is a founding member of One Nation's Energy Future ("ONE Future"), a unique coalition made up of members across the natural gas industry focused on identifying policy and technical solutions that result in improvements in the management of emissions associated with the production, gathering, processing, transmission, and distribution of natural gas. Members of ONE Future are committed to continuously improving their emissions management to achieve voluntary reductions in emissions and to assure efficient increased use of natural gas. ONE Future's goal is to enhance the energy delivery efficiency of the natural gas supply chain by limiting energy waste and achieving a total methane emission rate of less than one percent of gross natural gas production, the point at which the use of natural gas for any purpose provides obvious and immediate greenhouse gas reduction benefits. The ONE Future coalition represents the entire natural gas value chain, with members from some of the largest natural gas production, gathering, processing, transmission, and distribution companies in the United States.

In order to ensure that any final rules are reasonable, grounded in sound law and policy, and recognize operational limitations, Kinder Morgan submits the following comments in response to the Proposed Rules, addressing policy, legal, and feasibility concerns. Kinder Morgan attaches as **<u>Exhibit I</u>** a redline of the Proposed Rules reflecting Kinder Morgan's initial requested revisions to the Proposed Rules as well as certain additional comments that are not summarized herein.

II. SUMMARY OF COMMENTS

- Kinder Morgan supports certain of the Proposed Rules that will meaningfully reduce emissions in a cost-effective and technically feasible manner. Kinder Morgan does not support parts of the rule that have a very high cost and very little or no environmental benefit. Toward this end, Kinder Morgan supports the 15 tons per year ("tpy") exemption currently included in Proposed Rule 20.2.50.6.D. This exemption appropriately recognizes that it is costly to comply with NMED's proposed standards. This cost burden is even greater for smaller sources, which will not obtain significant emission reductions that are cost-effective. In these particularly trying times for oil and gas companies, this is a well-considered measure.

- Kinder Morgan respectfully submits that the Proposed Rules impose standards that are stricter than federal standards, but fail to justify the application of such standards. This is contrary to the Environmental Improvement Board's ("EIB's") statutory obligations. The NMED—to assist EIB in compliance with its statutory obligations—should undertake additional demonstrations prior to submitting a petition for formal rulemaking. As a practical matter, and even outside of statutory obligations, NMED should conduct supporting cost and technical analysis for the benefit of all stakeholders and as good policy-making practice.

- Kinder Morgan requests that the Proposed Rules include exemptions for facilities that will be subject to regional haze reductions. This is necessary to avoid duplicative regulations and burdens.

- Kinder Morgan submits that EIB lacks the statutory authority to regulate carbon monoxide ("CO"), as proposed in the Proposed Rules. Even if it had the authority, in Kinder Morgan's view, regulating CO would be unnecessary under the circumstances because the Proposed Rules set independent volatile organic compound ("VOC") emissions limits.

- Where Proposed Rule 20.2.50.16 targets emissions at "production and processing equipment," Kinder Morgan reasonably interprets that NMED does not intend to apply Proposed Rule 20.2.50.16 to the transmission and storage sector, and we propose revisions for further clarification. In similar fashion, the transmission and storage sector should be exempt from the remaining Proposed Rules—except for reasonable standards applicable to engines and turbines (see Kinder Morgan's comments to Proposed Rule 20.2.50.13)—because the transmission and storage sector has considerably lower emissions than other sectors, and any limited potential emission reductions achieved would not likely prove cost-effective.

- To the extent NMED does intend Proposed Rule 20.2.50.16 to apply to the transmission and storage sector, Kinder Morgan raises the following two priority issues with that section. First, the threshold for monitoring frequencies should be based on fugitive emissions, not facility-wide emissions. Second, transmission and storage compressor stations should only be subject to annual inspection requirements. Kinder Morgan makes several additional comments on Proposed Rule 20.2.50.16, which are described in Section III.E.

- Regarding the standards for engines and turbines set out in Proposed Rule 20.2.50.13, Kinder Morgan has three concerns. First, certain of the proposed standards are technically infeasible. Second, even where the standards are technically achievable, the control costs are exorbitant. Third, Kinder Morgan respectfully requests that emergency engines of less than 1,000 hp be exempt from the Proposed Rules considering their limited use (and thus limited emissions) and the high costs that would be incurred if they were required to be controlled under the Proposed Rules. Kinder Morgan makes several additional comments on Proposed Rule 20.2.50.13, which are described in Section III.F.

- Regarding the general provisions set out in Proposed Rule 20.2.50.12, Kinder Morgan notes that the proposed Equipment Monitoring and Information Tracking Tag ("EMITT") should be limited to application for leak detection and engines testing. All other applications will prove to be economically infeasible, and render information that is not informative to support (potential) further emission reductions. Additionally, NMED must afford operators a reasonable amount of time in which to respond to requests for information. Kinder Morgan makes several additional comments regarding Proposed Rule 20.2.50.12 to streamline the Proposed Rules and limit confusing cross-references, which are described in Section III.G.

- Regarding the standards for compressor seals set out in Proposed Rule 20.2.50.14, the economic impact of the requirement to control emissions from wet seal systems by 95% is uncertain. The costs of replacing wet seal systems are known and are exorbitant. The resulting emissions reductions are de-minimis and, therefore, the reductions (i) are unlikely to justify the unknown costs of controls and (ii) do not justify the high costs of replacement. Separately, to the extent the 95% control requirement is adopted, NMED should afford operators a reasonable timeline to come into compliance.

- Regarding the standards for control devices set out in Proposed Rule 20.2.50.15, Kinder Morgan makes the following comments:

  - The inspection requirements in this section should be removed.

  - Revisions are needed to the requirement to operate with a closed vent system to align with federal rules and known processes.

  - The requirement that flares "combust all gas sent to the flare" is not feasible or necessary, and should be revised.

  - The "no visible emissions" standard is infeasible and inappropriate with common permit conditions.

  - With respect to the requirement to perform the Environmental Protection Agency's (the "EPA's") Method 22 quarterly, NMED should allow for deferral of a quarterly observation if the unit does not operate more than 10% of the operating period. NMED should also allow for the use of EPA's Method 9 as follow-up if Method 22 indicates presence of emissions.

  - The reference to "any gas analysis" is unclear and requires clarification from NMED.

- Regarding the standards for pneumatic controllers and pumps set out in Proposed Rule 20.2.50.22, the costs associated with the pneumatic controller performance standards are likely to be unreasonable. This section requires revisions to conform with federal standards, in particular, where NMED has failed to make a demonstration that it is necessary or appropriate to propose more stringent regulations for pneumatic controllers. Additionally, monthly monitoring of pneumatic controllers is excessive.

We discuss each of these comments, in turn, below. Kinder Morgan also proposes specific rule revisions attached at **Exhibit I**.

III. INITIAL COMMENTS TO THE PROPOSED RULES

Kinder Morgan provides the following comments on the Proposed Rules, which are reflective of the issues and considerations that are Kinder Morgan's highest priorities. In particular, we have identified specific regulatory and technical or cost issues, and areas that require additional clarification or modification.

A. The Proposed Rules do not comport with statutory obligations

1. Further demonstrations are required to justify the use of standards that are stricter than federal standards

The Proposed Rules identifies New Mexico Statute § 74-2-5.3 as the source of authority for their promulgation. See Proposed Rule 20.2.50.3. Among other things, that statute provides that EIB may require compliance with standards that are stricter than federal standards if the following two conditions are satisfied:

> "[I]f the [EIB] determines [(1)] that the federal standards of performance do not reflect the degree of emission limitation achievable through the application of control technology that is reasonably available, considering technological and economic feasibility, and [(2)] that methods to further reduce emissions are commercially available and will result in substantially greater reductions in emissions than the federal standards for such sources."

See N.M.S.A. § 74-2-5.3.B.

The Proposed Rule imposes standards that are stricter than federal standards. E.g., compare 40 C.F.R. Pt. 60, Subpt. JJJJ, Tbl. 1 (establishing a 1.0 g/hp-hr limit for nitrogen oxides ("NO_x") emissions for non-emergency lean-burn natural gas engines manufactured on or after July 1, 2010 $\geq$ 500 HP) with Proposed Rule 20.2.50.13.B, Tbl. 1 (establishing a 0.50 g/bhp-h limit for NO_x emissions for existing lean-burn natural gas engines of comparable HP, and establishing a 0.05 g/bhp-h limit for NO_x emissions for lean-burn natural gas engines of comparable HP constructed or reconstructed and installed after the effective date of the Proposed

Rules). Notwithstanding the imposition of stricter standards, NMED has not produced the analysis that is required to support such regulations.

Accordingly, to support EIB in the satisfaction of its statutory obligations, NMED should undertake and present to the public the following two demonstrations prior to filing a formal rulemaking petition with EIB.

First, we understand that the state is currently conducting or will conduct ozone modeling to guide the state in determining what sources should be targeted for regulatory action. The scope of that research is unknown to Kinder Morgan. To the extent the anticipated modeling has been completed, we ask that NMED share the resulting data and accompanying analysis with the public. As a part of its analysis, we ask that NMED—to ensure EIB complies with its statutory obligation—specifically provide a determination that federal standards do not reflect the degree of emission limitation achievable through the application of reasonably available control technology. Without this valuable baseline information, the purpose of, need for, and value of NMED's Proposed Rules are unsupported. Targeting emissions reductions before the necessary research is complete sets poor precedent and will result in imprecise, and, in some cases, unnecessary rules.

Second, if NMED determines that the federal standards inadequately control emissions based on the above modeling, then NMED should require unit-specific informational requests distributed to the regulated community to determine whether alternative methods for reducing emissions are commercially available and "will result in substantially greater reductions in emissions than the federal standards for such sources." See N.M.S.A. § 74-2-5.3.B. For these requests, NMED should permit a minimum 60-day response time. The returned information should then be analyzed and documented by NMED, and the returned information and NMED's corresponding analysis made available to the public.

At present, the Proposed Rules are fundamentally flawed for failure to justify the need to develop standards of performance more stringent than applicable federal standards. A failure to comply with underlying statutory obligations exposes any final rules to litigation and creates the potential that NMED and EIB will have to repeat the rulemaking process.

B. The Proposed Rule should include exemptions for facilities subject to the regional haze reductions

Many facilities in New Mexico will be subject to emissions reductions under NMED's Regional Haze Rule, which is anticipated to become effective in July 2021. In 1999, EPA published the final Regional Haze Rule that applied to Federal Class I areas. The second implementation planning period for national regional haze efforts is currently underway. The New Mexico Regional Haze Rule requires evaluation of equipment for NO_x and sulfur monoxide emissions, and will require that companies evaluate control technologies to decrease or limit emissions of those contaminants.

As a part of the evaluation in New Mexico, Kinder Morgan sites were selected for evaluation under the Regional Haze requirements. Kinder Morgan has prepared and submitted "four-factor analyses" to NMED to evaluate control technologies for existing engines and turbines, including the installation of Clean Burn Technologies and catalysts as emissions reductions methods. These proposed technologies are currently being evaluated by NMED to determine impacts to regional haze. The NMED has stated that the Regional Haze updates are part of the state implementation plan revisions that will be submitted in November 2020, and that required modifications to equipment would need to be implemented by calendar year 2028.

Importantly, the applicable statute reasonably anticipates that potential sources of emissions may be regulated by various programs (whether voluntary or obligatory), and the statute requires that EIB, in adopting standards of performance, consider "efforts by sources of emissions to reduce emissions prior to the effective date of regulations adopted under this section . . . ." See N.M.S.A. § 74-2-5.3.C.(4). Thus, to avoid duplicative requirements, and in the interests of regulatory certainty, facilities that are subject to reductions under the Regional Haze Rule should be exempted from the Proposed Rules. At the least, NMED and EIB must evaluate the emissions reductions that will be achieved through the regional haze plan to recognize and credit those sources and the resulting reductions.

C. EIB does not have the statutory authority to regulate CO, and such proposal is unnecessary

As a threshold matter, EIB does not have the statutory authority to regulate CO, and even if it did, regulating CO is unnecessary. The stated objective of the Proposed Rules is to address VOC and NO_x. However, for reasons that are not apparent, the Proposed Rules also list CO limits for specific emission units. The statute that forms the basis for the Proposed Rules allows EIB "to control emissions of oxides of nitrogen and volatile organic compounds to provide for attainment and maintenance of the standard." N.M.S.A. § 74-2-5.3.A. It does not provide EIB with the authority to control CO emissions.

Further, CO is not a primary precursor to ozone and all areas in New Mexico are currently in attainment for CO. Although CO is sometimes used as a surrogate for VOC emissions in regulations, because a separate limit is already specified for VOC in NMED's Proposed Rules, a CO limit intended as a surrogate for VOC emissions is unnecessary. See Proposed Rule 20.2.50.13.B., Tbl. 1 (setting limits for non-methane, non-ethane hydrocarbons, also known as VOC).

Accordingly, enforceable CO limits should be removed from the Proposed Rule. Alternatively, NMED should qualify that the CO limits apply only when CO is being monitored as a surrogate for compliance with the VOC standard.

D. With one exception, the transmission and storage sector should be exempted from the Proposed Rules due to limited cost-benefit

The transmission and storage sector comprises high-pressure, large-diameter pipelines (both interstate and intrastate) that transport natural gas from production and processing to natural gas distribution systems for distribution to residential customers to use to heat their houses and cook their food or to other customers such as power plants or other industrial users. Compression of natural gas is a significant operation for the transmission and storage sector. Furthermore, storage facilities are used by transmission companies to hold gas and allow for the variation in seasonal demands.

First, we understand that NMED intends Proposed Rule 20.2.50.16 to apply only to production and processing equipment located at certain locations. See Proposed Rule 20.2.50.16.B. ("Each owner and operator of oil and gas production and processing equipment located at a site identified in 20.2.50.16.A NMAC shall demonstrate compliance with 20.2.50.16 NMAC by performing the monitoring, recordkeeping, and reporting requirements specified in this Section."). To ensure that there is no ambiguity as to the application of Section 16, Kinder Morgan requests that NMED strike "transmission compressor stations and associated piping" from 20.2.50.16.A NMAC. Production and processing equipment is not located at these sites, and the inclusion of the reference to the transmission sector only causes confusion regarding the scope of the section.[2]

Likewise, other sections of the Proposed Rules should not apply to the transmission and storage sector for the following reasons. As a threshold matter, the total VOC reductions from the transmission and storage sector gained through implementation of the Proposed Rules would be insignificant. NMED has not analyzed or produced data to support regulation of the transmission and storage sector, which is responsible for vastly smaller emissions than other segments of the oil and natural gas supply chain. For example, in 2015, researchers found that the transmission and storage segment accounted nationally for 1.8 Tg of annual methane emissions, while the production segment accounted for 7.6 Tg of annual methane emissions. See R. Alvarez et al., *Assessment of methane emissions from the U.S. oil and gas supply chain*, at 2, Tbl. 1 (July 13, 2018) (available at https://science.sciencemag.org/content/361/6398/186/tab-pdf). In states like New Mexico, with significant upstream production activity, this ratio is likely to be even more pronounced, with larger portions of loss occurring in the production segment relative to intrastate transmission.[3]

[2] It is also worth noting that Kinder Morgan voluntarily undertakes annual leak inspections through its ONE Future commitment, and New Mexico will continue to experience the benefit of those efforts. This practice is discussed in more detail in Section III.E.2, below.

[3] Additionally, in development of New Source Performance Standards ("NSPS") OOOO, EPA evaluated the estimated annual VOC reductions that may result from application of the rule to the natural gas transmission and storage affected sources. This is because EPA is required by law to conduct a regulatory impact analysis for economically significant rules in order to provide to the public a careful and transparent analysis of the anticipated

In brief, the estimated emissions reductions expected from the application of the Proposed Rules to the transmission and storage sector are trivial and inconsequential relative to the national VOC inventory. Surely it is not in the best interest of NMED or EIB to pursue such trivial reductions. The only reasonable conclusion is that the transmission and storage sector should not be included in the Proposed Rules.

Additionally, the application of the standards set out in the Proposed Rules to the transmission and storage sector is inconsistent with and stricter than federal requirements. As noted above, New Mexico law requires an additional showing if EIB goes beyond federal standards, and, therefore, NMED (to ensure that EIB satisfies its statutory obligations) must justify the imposition of these stricter standards. See N.M.S.A. § 74-2-5.3.B. ("The standards of performance may be more stringent than applicable federal standards of performance if the [EIB] determines that the federal standards of performance do not reflect the degree of emission limitation achievable through the application of control technology that is reasonably available, considering technological and economic feasibility, and that methods to further reduce emissions are commercially available and will result in substantially greater reductions in emissions than the federal standards for such sources."). NMED has failed to make the required showings in this instance.

Notwithstanding the above, Kinder Morgan believes regulation of the transmission and storage sector is appropriate with respect to one potential source of emissions. Specifically, the primary sources of potential emissions from the transmission and storage sector are engines and turbines. Kinder Morgan supports reasonable regulation of those units, and while Kinder Morgan raises significant concerns with NMED's current proposed standards for engines and turbines, the Company desires to work with NMED to develop sound regulations that are cost-effective and which achieve meaningful emissions reductions. Kinder Morgan recommends and specifically requests that NMED convene a specific and focused stakeholder process to work through the technical issues associated with setting standards for the transmission and storage sector, and would gladly participate in such a process.

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consequences of economically significant regulations. See Exec. Order No. 13,563, 76 Fed. Reg. 3,821 (Jan. 18, 2011); Exec. Order No. 12,866, 58 Fed. Reg. 51,735 (Oct. 4, 1993); OMB Circular A-4; see also Office of Information and Regulatory Affairs, "Regulatory Impact Analysis: A Primer," available at https://www.reginfo.gov/public/jsp/Utilities/circular-a-4_regulatory-impact-analysis-a-primer.pdf. In development of NSPS OOOO, EPA determined that "[t]he VOC control effectiveness for the . . . transmission/storage segments [was] . . . $31,133," and as a result the regulatory option was "rejected due to the high VOC cost effectiveness." See EPA, "Oil and Natural Gas Sector: Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution," at 6-28 (July 2011) [hereinafter "NSPS OOOO Technical Support Document"]. Importantly, at present, EPA does not regulate the transmission and storage sector under NSPS OOOO or NSPS OOOOa. See 85 Fed. Reg. 57,018 (Sept. 14, 2020).

E. Standards for Equipment Leaks (Proposed Rule 20.2.50.16)

To the extent that NMED does intend Proposed Rule 20.2.50.16 to apply to the transmission and storage sector (contrary to the apparent intent of the current language), Kinder Morgan provides the following comments related to that section.

1. The threshold for monitoring frequencies requires refinement

The Proposed Rule provides for more frequent inspections (monthly rather than quarterly) for gathering and boosting sites, gas processing plants, and transmission compressor stations with a potential to emit equal to or greater than 25 tpy VOC. See Proposed Rule 20.2.50.16.C.(2)(b)(ii)(B). With regard to inspection frequency, the VOC tpy threshold should be based on estimated fugitive emissions only, not facility-wide emissions. This is because the "leaks" to be monitored are fugitive emissions, and facilities are able to calculate site-wide fugitive emissions. Thus, it only makes sense to base the monitoring threshold on the potential source of emissions itself.

To accommodate the fact that estimated fugitive emissions will be substantially lower than facility-wide emissions, NMED should consider lowering the 25-tpy threshold to 5 tpy. As an example of how fugitive emissions may be calculated, Kinder Morgan estimated fugitive VOC emissions for a station with seven reciprocating engines using EPA publication 453/R-95-017 and a representative component count. Using this methodology, Kinder Morgan found that VOC fugitive emissions were less than 1 tpy. Regardless of the numeric threshold, the critical point is that there is no reason to require more frequent equipment leak inspections for facilities for which VOC emissions totals derive predominately from direct combustion or venting. Rather, when considering frequency of inspections designed to identify and repair leaks, fugitive emissions is the relevant metric.

2. Transmission and storage compressor stations should only be subject to annual inspection requirements

As stated above, Kinder Morgan is a founder of and has entered into a voluntary methane reduction commitment through the ONE Future coalition and the EPA Natural Gas STAR program. The ONE Future coalition is a group of 27 natural gas companies working together to voluntarily reduce methane emissions across the natural gas value chain to 1% or less by 2025. Through its participation in this coalition, Kinder Morgan has committed to achieving an intensity[4] target of 0.31% by 2025. To achieve this target rate, Kinder Morgan has committed to performing annual leak inspections at its natural gas transmission and storage compressor stations.

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4 In the context of transmission and storage, "intensity" means emissions per volume of throughput, and it is expressed as a percentage.

The inspections of Kinder Morgan's natural gas transmission and storage compressor stations conducted under the ONE Future program cover (1) all piping and equipment components of compressor stations, including valves, flanges, connectors, meters or instruments, pressure relief valves, open ended lines, and other components; (2) condensate storage tank vents; and (3) reciprocating and centrifugal compressor vents. Optical Gas Imaging cameras are used to screen all such equipment, which is consistent with the requirements of the Proposed Rule. See Proposed Rule 20.2.50.16.C.(2)(c).

As of this year, 100% of Kinder Morgan's natural gas transmission and storage compressor stations located in New Mexico are implementing the ONE Future commitment and associated internal procedures, and, by 2021, all of Kinder Morgan's natural gas transmission and storage compressor stations throughout the country will be implementing the commitment.

Consistent with its current practices under its ONE Future commitment and EIB's statutory obligation to consider efforts to reduce emissions prior to new regulations taking effect, Kinder Morgan respectfully requests that natural gas transmission and storage compressor stations be subject to annual leak inspection requirements rather than the quarterly or monthly inspections that would be required under the Proposed Rule. See N.M.S.A. § 74-2-5.3.C(4) (requiring that EIB consider "efforts by sources of emissions to reduce emissions prior to the effective date of regulations adopted under this section"); Proposed Rule 20.2.50.16.C.(2)(b)(ii) (requiring quarterly inspections of transmission compressor stations with a potential to emit of less than 25 tpy VOC and monthly inspections of compressor stations with a potential to emit equal to or greater than 25 tpy VOC). To the extent that any of Kinder Morgan's existing inspection procedures need to be updated to comply with reasonable inspection requirements set out in the Proposed Rules, Kinder Morgan would be willing to make such updates.

3. Additional Comments

Kinder Morgan notes the following additional issues in Proposed Rule 20.2.50.16, which are also set out in the proposed rule revisions attached at **Exhibit I**:

- Proposed Rule 20.2.50.16.C.(2)(a): Weekly audio, visual, and olfactory ("AVO") inspections are required for severe nonattainment permitting. It is unclear to Kinder Morgan why such requirements are being applied here.

- Proposed Rule 20.2.50.16.C.(2)(a): The proposed inspection frequencies are excessive. Kinder Morgan requests that NMED reduce the frequency from weekly to monthly. When combined with EMITT tagging requirements, weekly AVO inspections on all of these components is overly burdensome. Because these are unmanned facilities, requiring that personnel drive to the facility sites on a weekly basis could offset any reductions in emissions that may be achieved as a result of the inspections, or even create more emissions than would be potentially reduced.

- Proposed Rule 20.2.50.16.C.(2)(d)(ii): This definition should be revised to reflect that an "unsafe to monitor component" is one ***that the owner or operator determines*** is unsafe-to-monitor because monitoring personnel would be exposed to an immediate danger as a consequence of conducting the monitoring.

- Proposed Rule 20.2.50.16.D.(1): To the extent Proposed Rule 20.2.50.16 applies to transmission and associated compressor stations, Kinder Morgan would request revisions to clarify the delay of repair language as applied to compressor stations. In particular, language should be included to accommodate the fact that transmission compressor stations are routinely shut down for a variety of reasons (e.g., in response to market conditions), and often only briefly. Those operational shutdowns should not trigger repair of the items on the delay of repair list. Rather, language similar to the following should be included: "For compressor stations, items on the delay of repair list must be repaired or replaced during the next scheduled compressor station shutdown, after a planned vent blowdown or within 2 years, whichever is earlier." This is consistent with Kinder Morgan's ONE Future program. Further, any repair requirement for transmission and compressor stations should consider whether the repair would cause more emissions than the leak itself. Kinder Morgan recommends language such as the following: "For transmission and compressor stations, the owner or operator is not required to repair the leak if the equipment leak based on continuous leakage during the 2 year period since discovery is less than the volume of gas required to be vented to atmosphere in order to make the repair."

- Proposed Rule 20.2.50.16.D.(1)(b): Kinder Morgan requests that NMED change the period in which to repair leaks detected using optical gas imaging from within 7 days of discovery to within 15 days of discovery. A 5-day time period could be set for a "first attempt" repair for OGI-observed leaks.

- Proposed Rule 20.2.50.16.D.(1)(d): Kinder Morgan requests clarification regarding whether the reference to 14 days in this section should in fact refer to 15 days consistent with subsection (b).

F. The Proposed Standards for Engines and Turbines (Proposed Rule 20.2.50.13)

Kinder Morgan raises the following concerns with the standards set out in the Proposed Rules applicable to engines and turbines. To address these concerns, and others that may arise from further analysis, Kinder Morgan respectfully requests that NMED convene a stakeholder process. Kinder Morgan would gladly participate in such a process to arrive at mutually-agreeable, protective, and feasible standards.

1. Certain of the proposed standards cannot be achieved through the use of reasonably available control technology

The EIB must adopt standards that are achievable through the use of reasonably available control technology. See N.M.S.A. § 74-2-5.3.B. ("The standards of performance shall reflect the degree of emission limitation achievable through the application of control technology that is reasonably available considering technological and economic feasibility."). To the extent the standards would require replacement of engines or turbines because no control technology is available for certain types of engines or turbines, as applicable, the proposed standards are improper.

Natural Gas-Fired Spark-Ignition Engines. The effect of the Proposed Rules will be that all larger (greater than 500 hp) two-stroke lean-burn reciprocating engines, regardless of when they are installed, will have a NO_x limit of 0.50 g/bhp-hr or lower. These targets are so aggressive that they are technically infeasible and, as a result, there will be very little compliance margin and periodic excursions are likely. Therefore, the proposed targets will likely require full replacement of certain existing engines to ensure consistent compliance. For example, Kinder Morgan would expect that its two non-emergency 4500 hp Cooper Bessemer two-stroke lean-burn natural-gas fired engines (engine model 12Q155HC2) would need to be replaced to comply with these proposed targets. Each of these engines would cost over $20,000,000 to replace.

Similarly, for two-stroke lean-burn engines greater than 500 hp, an oxidation catalyst would be required to achieve the CO and "non-methane, non-ethane hydrocarbons" (i.e., VOC) standards. These targets are also very aggressive and technically infeasible for these engines, considering the low exhaust temperatures when compared to four-stroke lean-burn engines. This is an important point because catalyst reduction efficiency is related to engine exhaust temperature. And, in fact, industry research on oxidation catalyst-equipped two-stroke lean-burn engines has shown that we can realistically expect only 75% reductions of CO and 50% reductions of VOC. Thus, for example, the CO and VOC targets would not be realistically achievable for five of Kinder Morgan's non-emergency 1002 hp Cooper Bessemer two-stroke lean-burn natural-gas fired engines (engine model GMV-10TF). The CO and VOC limits would necessitate replacement of these engines.

Stationary Combustion Turbines. There is no combustion technology available to achieve a 25-ppm NO_x target on certain models of stationary combustion turbines, as would be required under the Proposed Rule for ≥1,000 and <5,000 bhp turbines. This is the case for Model-A General Electric ("GE") Frame 3 turbines. GE has also indicated that it would require a $20,000 engineering study to determine if a Model-F upgrade with dry low emission technology is possible. Similarly, there is no combustion modification available for new or existing Solar Saturn units. Therefore, to achieve the proposed limits, the only options for these units (Model-A and Model-F GE turbines, and Solar Saturn turbines) would be replacement or installation of a selective catalytic reduction ("SCR") catalyst.

The feasibility of installing an SCR catalyst depends on site-specific considerations such as space for the installation and the availability of sufficient power to run the catalyst. In other words, even though the installation of an SCR catalyst may be technically feasible in concept (i.e., the technology exists and could be installed on certain engines), it may not be feasible in practice at every site. Moreover, installation of such technology is not cost-effective, which is discussed in further detail, below.

2. The EIB must consider the economic impacts of the Proposed Rules and the economic impacts of the proposed engine and turbine standards are unreasonably severe

Even where the standards set out in Proposed Rule 20.2.50.13 may be technologically achievable, they are not economically feasible. The EIB must consider the economic feasibility and the economic impacts of its regulations. See N.M.S.A. § 74-2-5.3.B. ("The standards of performance shall reflect the degree of emission limitation achievable through the application of control technology that is reasonably available considering technological and economic feasibility."); N.M.S.A. § 74-2-5.3.C.(3) ("In adopting regulations, the [EIB] . . . shall consider . . . economic impacts . . . ."). Consistent with these principles, in the regional haze planning process, NMED has established that an appropriate cutoff for requiring controls is $7,000 per ton of pollutant reduced. In other words, operators would not be required to control to standards that would result in costs in excess of this number. To ensure consistency across its programs, NMED should apply this cost-effectiveness threshold to any ozone precursor rules.

Similarly, in determining whether standards can be achieved through "the best system of emission reduction," the EPA must consider the costs of such reduction and may not adopt a standard the cost for which would be "exorbitant." See Lignite Energy Council v. U.S. E.P.A., 198 F.3d 930, 933 (D.C. Cir. 1999). EPA has employed a "reasonableness" standard to determine whether compliance costs are acceptable. See, e.g., 81 Fed. Reg. 35,824, 35,829 (June 3, 2016). Consistent with these principles, in a recent proposed rule, EPA determined that requiring fugitive emissions monitoring at wellhead-only well sites was not justified in light of costs of over $5,000 per ton of methane reduced and over $20,000 per ton of VOC reduced. See 83 Fed. Reg. 52,056, 52,066 (Oct. 15, 2018). Furthermore, in development of NSPS OOOO, EPA evaluated (as required) the cost-effectiveness of implementation of its various program proposals. Importantly, in EPA's NSPS OOOO Technical Support Document, EPA specifically determined that costs for application of pollution prevention requirements for wet seal centrifugal compressors in the amount of $5,299 per ton of VOC or greater were unreasonable and therefore "rejected." See NSPS OOOO Technical Support Document, at 6-28 ("The VOC control effectiveness for the processing and transmission/storage segments were $5,299 and $31,133 respectively. Therefore, Regulatory Option 3 was rejected due to the high VOC cost effectiveness.").

The costs associated with the Proposed Rules applicable to engines and turbines are exorbitant. For example, to control a Cooper Bessemer model GMV-10TF engine consistent with the proposed standards, the cost per ton of VOC reduced would be $107,534. Kinder Morgan has 14 of these machines. Similarly, the control costs for a GE model M3702R C turbine would be $407,524 per ton of VOC reduced.

As suggested above, the cost to install an SCR catalyst, as would be required for certain engines to achieve the standards set out in the Proposed Rules, would also be extremely costly. For example, the cost per ton of NO_x reduced to install, operate, and maintain an SCR on each of Kinder Morgan's three non-emergency Solar turbines (model Saturn 10-1202) would be over $86,000.

Furthermore, the initial cost analyses we have performed to date do not account for actual run-time of the engines, which is considerably lower (in most cases) than 8,760 hours. Consideration of actual run-time would further exacerbate the cost-ineffectiveness of the Proposed Rules. In short, these per ton costs are vastly in excess of accepted benchmarks of cost reasonableness, as demonstrated by the EPA's and NMED's own determinations.

In order to justify the Proposed Rules, NMED must address these significant valuation concerns. Again, Kinder Morgan strongly recommends that NMED convene a stakeholder process to address, among other concerns, the cost-effectiveness of the standards for engines and turbines.

3. NMED should revise the Proposed Rules to exempt limited-used emergency engines

Emergency engine units of less than 1,000 hp should not be subject to the Proposed Rules, which currently do not contain any exemption for limited-use emergency engines. As the name suggests, emergency engine units are only used in emergencies when commercial power is not available. It is unnecessary to require such limited-use emergency engines to comply with the strict targets set out in the Proposed Rules because these engines are used only in the infrequent event that the electric power grid goes out (or in other circumstances out of the operator's control). The engines serve a critical function for personnel safety and environmental protection under these circumstances by providing power for control rooms, lights, and other equipment until power is restored. Because the engines are used so infrequently, and are necessary for safety precautions, it is not cost-effective to require emergency engines to be controlled consistent with the Proposed Rule given the negligible marginal benefit that would accrue from such controls.

Additionally, the application of the standards set out in the Proposed Rules to emergency engines without alteration appears to be more stringent than federal requirements. As noted above, New Mexico law requires an additional showing if EIB goes beyond federal standards, and, therefore, NMED must justify the imposition of these stricter standards. See N.M.S.A. § 74-2-5.3.B.

4. Additional comments

Kinder Morgan notes the following additional issues in Proposed Rule 20.2.50.13, which are also set out in the proposed rule revisions attached at **Exhibit I**:

- Proposed Rule 20.2.50.13.A.: The applicability of the Proposed Rule should be restricted to individual non-emergency engines greater than 500 hp. However, when multiple sources are present at a facility and performing similar functions, aggregate horsepower can be used to evaluate applicability.

- Proposed Rule 20.2.50.13.B.(3): This section sets certain "hard," incremental deadlines for compliance with the standards applicable to engines. Kinder Morgan requests that NMED revise these strict compliance deadlines to accommodate the various considerations that can accompany an operator's ability to bring its engines into compliance (e.g., the number of engines that an operator must retrofit, and the type of operations at issue). Specifically, Kinder Morgan requests that NMED include a mechanism whereby operators may request and be granted extensions of the deadlines set out in this section.

- Proposed Rule 20.2.50.13.B, Table 2: For the same reasons set forth in the above comment, Kinder Morgan requests that NMED revise the "hard" compliance deadline for controlling existing turbines of one year from the effective date of the Proposed Rules to accommodate legitimate requests for extension.

- Proposed Rule 20.2.50.13.B, Table 2: Kinder Morgan requests clarification regarding the use of the term "rated hp." We've proposed clarifying language in **Exhibit I**.

- Proposed Rule 20.2.50.13.B, Tables 1 and 2: The proposed Tables 1 and 2 include emissions standards for both controlled and uncontrolled units in some cases, but not all. See, e.g., Proposed Rule 20.2.50.13.B, Tbl. 1 (including a NO_x threshold for lean-burn engines of 0.30 g/bhp-h uncontrolled or 0.05 g/bhp-h with control). The logic behind having a controlled and uncontrolled standard is not apparent. Having a standard for controlled engines puts the operator in the untenable position of potentially having to control an uncontrolled unit (and staying below the uncontrolled threshold), but then once controlled, a new standard is required to be achieved and that standard may not be feasible. Where a reasonable standard is established based on what is technically and economically feasible, the operator should be allowed the flexibility to achieve it, without several regulatory hurdles.

- Proposed Rules 20.2.50.13.C.(1) and D.(1)(b): The requirements that maintenance and repair of engines and turbines meet the minimum engine or turbine manufacturer's recommended maintenance schedule and that operators maintain a copy of that maintenance and repair schedule are impractical. As an example, Kinder Morgan has some GE turbines built in the 1950s; the practices written then may no longer be applicable today. A provision should be included for companies to be able to comply with their own maintenance plans, because manufacturer maintenance schedules may not be available, may be outdated, or may specify activities with no direct effect on unit emissions. Kinder Morgan also raises this issue in Section III.G.3, below.

- Proposed Rule 20.2.50.13.C.(3): The engine load calculation must have additional options. In many cases, and particularly with older engines, the manufacturer brake specific fuel consumption rating is not available or is outdated. As an option, owners or operators can be instructed to include an accurate load calculation methodology in test protocol submissions.

- Proposed Rule 20.2.50.13.C.(3)(a): This section does not provide an even playing field. The procedures established by ASTM D 6522 are rigorous and can be more expensive than NMED's previously-approved procedures, which were likely established during the late 1990s or early 2000s. It is unfair for other companies to be permitted to continue to use outdated procedures, based solely on their use of older equipment.

- Proposed Rule 20.2.50.13.C.(5): To the extent EMITT requirements are retained in the Proposed Rules, that requirement should be dropped from this section, or reserved only for testing events. The purpose of maintenance tracking is to ensure compliance with emissions limits, which would already be monitored periodically under this section. The addition of tune-up and maintenance events to EMITT tracking is unnecessary, duplicative in nature, unreasonably costly, and overly burdensome.

G. General Provisions (Proposed Rule 20.2.50.12)

1. EMITT tagging is not cost-effective

The Proposed Rules require that operators install an EMITT on new and existing equipment. See, e.g., Proposed Rule 20.2.50.13.B.(9). The EMITT must be scannable by state inspectors and must provide, among other data points, the VOC (and NO_X, if applicable) potential to emit for equipment and the VOC (and NO_X, if applicable) potential to emit and the design control efficiency for control equipment. See Proposed Rule 20.2.50.12.A.(6). During monitoring and other events, the EMITT must be scanned and certain data captured. See Proposed Rule 20.2.50.12.B.(4). That data must then be uploaded—either live or subsequent to the relevant event—to the EMITT database. See id.

Kinder Morgan is one of the largest energy infrastructure companies in North America, yet it does not have experience with the EMITT method. This strikes Kinder Morgan as problematic insofar as NMED's proposal is untested—and as a result, the potential impacts, costs, technical, and operations effects are largely unknown. Many companies already have environmental management and other systems to track maintenance and other requirements. Forcing all operators to employ EMITT is unnecessary, burdensome, and penalizes companies that already have well-developed environmental management systems in place. Furthermore, this method is not required by current federal leak detection and repair requirements. See EPA, Leak Detection and Repair, A Best Practices Guide, at 12 (explaining that Method 21 does not require use of an automatic data logger).

The costs associated with installing EMITT and logging data through EMITT with the frequency that the Proposed Rules would require are significant. First, the installation process itself is very expensive, costing more than $10,000 per facility. These costs derive primarily from labor costs and the number of points that require tagging. Equally concerning is the frequency with which the Proposed Rules would require operators to scan the EMITTs and capture and upload data to the EMITT database. For example, Proposed Rule 20.2.50.13 would require that the EMITT be scanned and data be entered for each monitoring, testing, inspection, or tune-up event associated with an engine or turbine. See Proposed Rule 20.2.50.13.C.(5). The volume of data that must be uploaded through the EMITT will result in significant additional labor costs for operators. And, it is unclear what real value some of this data will offer NMED. For example, it is unclear why NMED would want to be apprised of every tune-up event associated with an engine or turbine.

Kinder Morgan recognizes the value of providing NMED with meaningful data digitally and in a timely fashion. Kinder Morgan respectfully requests that NMED require use of the EMITTs in a more reasonable manner. Accordingly, if NMED requires the installation of EMITTs under the Proposed Rule, use of the EMITTs should be reserved for emission and leak monitoring.

2. NMED must afford operators a reasonable amount of time to respond to requests for information

The Proposed Rules require submission of reports and certain analysis "upon the request of the Department." See Proposed Rule 20.2.50.12.D. This formulation is vague, and could be used by NMED staff to require the submission of extensive reports and analyses on an unreasonable timetable (e.g., the business day following receipt of the request). To ensure that operators have adequate time to prepare thorough and accurate reports and analyses, and are able to continue to conduct their normal businesses, a time period of at least two weeks should be permitted for operators to respond to requests for information, subject to extension upon request. It is also important to note that reports and analyses may require internal company review and approval, which adds to the time in which an operator can realistically respond to NMED's information requests. The proposed two-week timeline is reasonable and consistent with the practices of other states.

3. Additional comments

Kinder Morgan raises the following additional comments related to Proposed Rule 2.20.50.12 (and one comment on Proposed Rule 20.2.50.8), many of which are merely clarifications and clean-up edits, and which are also set out in the proposed rule revisions attached at **Exhibit I**:

- Proposed Rule 20.2.50.8 (Definitions): Kinder Morgan proposes a clarifying revision to the definition of "hydrocarbon liquids." In particular, the proposed definition should specify a minimum vapor pressure. Vapor pressure is used to specify the volatility of hydrocarbons in any liquid. When the vapor pressure is low, the volatility is similarly minimal, or non-existent. Thus, regulation of a non- or low-volatile liquid is inappropriate and not cost-effective.

- Proposed Rule 20.2.50.12: In the interest of clarity, we recommend removing all monitoring, recordkeeping, and reporting requirements from this section because subsequent sections set out specific monitoring requirements for each of the emissions units, which confuses applicable compliance requirements. Alternatively, consider properly qualifying reference to this section in subsequent parts of the Proposed Rule so that operators are clear about their compliance obligations.

- Proposed Rules 20.2.50.12.A.(1) and C.(1)(g) (if retained): As noted above, the requirement to operate equipment consistent with manufacturer specifications is impractical. Many of Kinder Morgan's engines are over 50 years old. Some of the manufacturers of these engines are no longer in business, and the specifications written when these engines were new may no longer be applicable. Additionally, in some circumstances, as an owner of the machines for over 50 years, we have developed a better process to maintain optimum condition of these engines. Accordingly, a provision should be included for companies to be able to comply with their own maintenance plans.

- Proposed Rule 20.2.50.12.A.(2): The requirement to "minimize emissions" during routine or predictable startup, shutdown, and scheduled maintenance is improper. Emissions during these processes are regulated in most existing permits, and should continue to be subject to concrete, numeric standards. This "minimize emissions" language is, in effect, a general duty clause. General duty clauses hark back to previous regulatory methods in which air quality control rules did not include the specific monitoring, reporting, and record keeping requirements that they include now. These clauses are problematic because they permit discretionary and potentially arbitrary enforcement. Kinder Morgan respectfully requests that NMED remove this language because it is unnecessary and problematic in light of the detailed requirements set out in the Proposed Rules.

- Proposed Rule 20.2.50.12.B.(1): It is unclear whether this section is referring to monitoring for emissions or only "to ensure proper maintenance and operation." Either way, the monthly inspection requirement applicable to "all sources" is unnecessarily burdensome and should be removed as a general condition. It is too vague and general of a requirement to apply to all sources. Routine inspections should be specified by source type and should have a demonstrable benefit to unit performance and emissions.

- Proposed Rule 20.2.50.12.B.(3)(a): The Department should be required to issue the Alternative Monitoring Approval Letter within a set time period (e.g., within 30 days of a complete application). Additionally, Kinder Morgan requests clarification regarding the process if a request for an alternative monitoring strategy is denied.

- Proposed Rule 20.2.50.12.C: As above, it is unclear whether this section is intended to refer to recordkeeping requirements applicable to emissions.

- Proposed Rule 20.2.50.12.C.(2): The term "any" is too strict. For abbreviated periods, loss of electronic data occurs systematically with every data acquisition system. Most periods are dependent on the systems programming and hardware, and typically can range from 1 to 2 minutes or longer. Therefore, we recommend that NMED set a threshold (e.g., 5%) for when failure to collect data can be inferred from loss of data.

As discussed in Section III.D., above, Kinder Morgan respectfully submits that the following Proposed Rules applicable to the transmission and storage sector are inappropriate, not cost-effective, and unsupported by emissions reduction and other important data. Thus, in the first instance, regulation of the transmission and storage sector beyond engines and turbines and equipment leaks is unsupported. See Section III.D., above. Notwithstanding, Kinder Morgan offers NMED specific comments on the following Proposed Rules to ensure that NMED is armed with information critical to its analysis and further revisions of the proposals.

H. Standards for Compressor Seals (Proposed Rule 20.2.50.14)

1. The economic impact of the proposed requirement to control VOC emissions from each centrifugal compressor wet seal fluid degassing system by 95% is uncertain

The NMED proposes that "[o]wners and operators of existing centrifugal compressors shall control VOC emissions from each centrifugal compressor wet seal fluid degassing system by 95%, beginning on the effective date of this Part." See Proposed Rule 20.2.50.14.B.(1). To achieve a 95% control efficiency at its existing centrifugal compressors, Kinder Morgan would be required to either (i) control the wet seal system or (ii) replace all wet seals with dry seals.

Kinder Morgan does not currently have data on file related to the costs to control wet seal systems. This is due in part to the fact that Kinder Morgan has a policy of installing only dry seal systems on new units, consistent with federal requirements. However, Kinder Morgan has been able to estimate potential control costs based on EPA cost guidance. Kinder Morgan routinely analyzes gas quality in its systems and the natural gas comprises proportionately small quantities of VOCs. Based on these analyses, natural gas volumetric emission rates for wet seal compressors can be used to determine VOC emissions. Emission rates are estimated to be 0.93 tons of VOC per unit on an annual basis. Using EPA cost guidance on a wet seal control, this would range from $32,422 to $97,267 per ton VOC. To remedy the uncertainty surrounding the costs of the retrofitting process, Kinder Morgan asks that NMED request input from stakeholders regarding the costs and technical feasibility of wet seal controls during the stakeholder process that Kinder Morgan urges NMED to undertake. This will allow stakeholders and NMED to gain a thorough understanding of the economic and technical consequences of the proposed reduction.

Kinder Morgan does, however, have cost estimates for replacing wet seals with dry seals (which may be required where controls are infeasible), and those costs are unreasonable. The capital costs for replacement of a wet seal can be over $1,000,000. In fact, as recently as July 2020, Kinder Morgan received a quote for conversion of three Ingersoll Rand CVS-24 overhung compressors, totaling $1,561,100, and a separate quote for over $1,000,000 for conversion of a wet seal to a dry seal on a Cooper Bessemer RFBB-20 barrel style compressor. The variation in costs is due to the different type and size of compressors involved, and whether they involve single or multiple seals. It is also important to note that wet seals are an integral component of a centrifugal compressor, and, as such, wet seal replacement with a dry seal is not a routine, simple, or inexpensive task. Replacement of the wet seals is likely to require that the centrifugal compressor rotor be shipped back to the manufacturer or other service company to complete retooling of the compressor shaft and completion of the wet to dry seal replacement. Costs include the wet seal replacement costs, transportation costs, and customer impacts because the compressor unit will be out of service for an extended period of time to complete the replacement. In relation to the estimated emissions, the cost per ton is in the range of $983,000 based on the first year capital costs alone (and not considering ongoing maintenance).

Once NMED and stakeholders have properly identified the costs associated with the controls that would be required to control wet seal systems by 95%, it is important to recall that those costs must be evaluated in the context of emissions reductions achieved. Because the potential emissions that are the subject matter of the proposed compressor seal performance standards are de-minimis at best, even relatively small costs (which are not anticipated) may not be justified. Regarding replacement, the de-minimis emission reductions would clearly fail to justify the exorbitant costs detailed above.

Additionally, EPA and other regulatory bodies (including certain regulatory bodies in New Mexico) have determined that it is not necessary to regulate wet seal systems because they rightly recognize that the emissions are minimal. Data indicates that well-maintained wet seals will have an emission rate that is comparable to or less than dry seals. A recent paper published by Pipeline Research Council International, Inc. provides a current best-estimate of transmission and storage compressors emissions, in an effort to update emission estimates in the EPA Annual GHG Inventory Report, and to provide EPA with an analysis of measured compressor emissions for Subpart W. The paper compiled centrifugal compressor emissions from wet seal systems measured as required per the Greenhouse Gas Reporting Rule between 2011 and 2016. The analysis found emissions from centrifugal units with wet seal systems were vastly lower than historical estimates, resulting in 7,730 scf of methane/day. See T. McGrath et al., *PRCI White Paper: Methane Emission Factors for Compressors in Natural Gas Transmission and Underground Storage based on Subpart W Measurement Data*, Catalogue No.PR-312-18209-E01, at 47, Tbl. 4-1 (Oct. 17, 2019), available for purchase at https://www.prci.org/Research/CompressorPumpStation/CPSProjects/CPS-17-01A/142206/171289.aspx. Based on a representative average methane content of 91%, this equates to 3,116 mcf natural gas released per year/unit. Because wet seal and dry seal systems are similarly situated, regulation of wet seals is unsupported. The difference in emissions reductions achieved between wet and dry seals are overstated by NMED, and NMED provides no data supporting its proposed performance standards for these units.

Finally, NMED has failed to acknowledge and account for the potential negative implications (and additional costs) of converting a wet seal to a dry seal. In particular, one of the benefits of the wet seal systems is that it maintains built-in damping for the compressor seals to limit or eliminate vibrations. When the unit is converted to a dry seal, the damping is lost and Kinder Morgan would have to evaluate and study the system and potentially make other modifications to the compressor to avoid unsafe vibration issues. These considerations are the practical reality and should not be overlooked.

2. If the 95% emission control requirements for existing compressor seals are adopted, the implementation timeframe must be reasonable

As stated above, NMED proposes that "[o]wners and operators of existing centrifugal compressors shall control VOC emissions from each centrifugal compressor wet seal fluid degassing system by 95%, *beginning on the effective date of this Part*." See Proposed Rule 20.2.50.14.B.(1). At present the "effective date" is "[t]o be determined." See Proposed Rule 20.2.50.5. Presumably, however, the effective date of the Proposed Rules will be 30 to 60 days following adoption by EIB, as is common agency practice. It would be inappropriate and unreasonable for NMED and EIB to expect operators to meet a 95% control requirement within even 60 days following a rulemaking hearing. Installation of new seals requires significant lead-time caused by ordering of equipment and coordination with vendors all while considering operational and safety limitations.

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Kinder Morgan respectfully requests NMED revise the rule to afford operators not less than one year from the effective date of the rules to achieve compliance.

I. Standards for Control Devices (Proposed Rule 20.2.50.15)

Kinder Morgan raises the following comments related to Proposed Rule 2.20.50.15, which are also set out in the proposed rule revisions attached at **Exhibit I**:

- Proposed Rule 20.2.50.15.B.(4): The inspection requirements in this section should be removed. Separate and more specific inspection requirements are cited elsewhere in unit-specific sections. Reference to "at least monthly" inspections here merely creates confusion and is inconsistent with the unit-specific inspection requirements.

- Proposed Rule 20.2.50.15.B.(5) and D.(1)(a): These proposed rules require operation of the air pollution control device utilizing a closed-vent system. Kinder Morgan does not object to the proposal in concept, but believes that revisions are required for consistency with the terminology used and practices employed through implementation of known regulatory programs, such as NSPS, Part HHH. See, e.g., 40 C.F.R. §§ 63.1275(b)(1)(i), 63.1281(c).

- Proposed Rule 20.2.50.15.C.(1)(a): This Proposed Rule states that the flare shall "combust all gas sent to the flare." This requirement is both misleading and impossible. Control devices have design destruction efficiencies, and in most cases, those efficiencies are not 100%. Thus, NMED should revise the rule to state that the "flare shall combust all gas sent to the flare at the unit's rated capacity."

- Proposed Rule 20.2.50.15.C.(1)(c): "No visible emissions" is an infeasible standard. This language should be replaced with "emissions not to exceed 20% opacity," which is standard permit language, and which triggers corrective action.

- Proposed Rule 20.2.50.15.C.(2)(c): With respect to the requirement to perform EPA's Method 22 quarterly, Kinder Morgan requests that NMED allow for deferral of a quarterly observation if the unit does not operate more than 10% of the operating period. In this section, NMED should also allow for the use of EPA's Method 9 as a follow-up if Method 22 indicates presence of emissions.

- Proposed Rule 20.2.50.15.C.(3)(a)(iii): The reference to "any gas analysis" is unclear for multiple reasons. In particular, this subsection suggests that a gas analysis is required; however, such a requirement is not express on the face of the rule, nor is a frequency indicated. This section should be deleted or significantly clarified.

J. Standard for Pneumatic Controllers and Pumps (Proposed Rule 20.2.50.22)

1. The costs associated with implementation of the pneumatic controller performance standards are likely unreasonable

NMED proposes extensive emission standards for pneumatic controllers and pumps. See Proposed Rule 20.2.50.22. As noted above, in order to adopt any new performance standards, EIB must consider economic feasibility. Without such evaluation and justification for the economic burden, these proposals are inconsistent with statutory obligations. At this stage, Kinder Morgan does not have sufficient data to fully understand the economic burden of compliance with the proposed emission standards for pneumatic controllers and pumps. As a very rough estimate, Kinder Morgan expects that the cost associated with the replacement of pneumatic controllers to zero emissions devices would be $5,000 to $10,000 per facility. Without an equipment count, Kinder Morgan is unable to translate this into a per-ton reduction dollar amount; however, Kinder Morgan expects that costs would be excessive relative to the amount of VOC reduced. Given the dearth of data, Kinder Morgan requests that NMED address the costs associated with Proposed Rule 20.2.50.22 during the transmission and storage sector stakeholder process requested in this comment letter.

Finally, as stated above, additional justification is required for EIB to adopt requirements that go beyond the federal requirements. In particular, the Proposed Rules would require new units to be subject to a zero emission standard instead of the 6 scfh required by EPA pursuant to NSPS OOOOa for locations other than natural gas processing plants. 40 C.F.R. § 60.5365a(d). NMED has not produced data or an analysis in support of rules that go beyond the federal requirements.

2. Additional comment

- Proposed Rule 20.2.50.22.C.(2): This proposal would require owners and operators of pneumatic controllers with a natural gas bleed rate of greater than zero to conduct monthly monitoring, apply the EMITT method, and conduct AVO. Monthly monitoring of such controllers, without consideration of potential for emissions, is excessive, and NMED has not provided a technical basis as to why such monitoring frequency is appropriate, or even what the anticipated emissions reductions might be. As an alternative, Kinder Morgan proposes annual monitoring for pneumatic controllers operating at 6 scfh or greater.

IV. CONCLUSION

Kinder Morgan appreciates the opportunity to submit initial comments, and we look forward to working with you on resolution of these important issues. The Company continues to review the Proposed Rules and reserves the right to raise additional issues during any further stakeholder proceedings and during any rulemaking proceedings. Kinder Morgan also reserves the right to amend and/or supplement the policy, legal, and factual issues presented herein.

Respectfully submitted this 16th day of September, 2020.

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Exhibit I

Redline of Proposed Rules

[attached]

Rule Preamble: The New Mexico Environment Department has developed the following draft regulation pursuant to the directives of Section 74-2-5.3 of the New Mexico Air Quality Control Act. The objective of the proposed rule is to establish emissions standards for volatile organic compounds (VOC) and nitrogen oxides (NOx) for oil and gas production and processing sources located in areas of the State within the Environmental Improvement Board's jurisdiction where ozone concentrations are exceeding 95% of the national ambient air quality standard.

Comment [A1]: It would be helpful to all stakeholders if NMED provided a more robust preamble to the proposed rules as a part of the rulemaking process, or even before the formal rulemaking process. This preamble should discuss implementation questions raised by stakeholders, clarifications, and NMED/EIB's statutory basis for the proposed rules, including supporting legal and technical information.

This is a preliminary draft being released for public input in advance of the Department filing a formal rulemaking petition with the Board and requesting a public hearing. The purpose of this initial, pre-petition comment period is to foster transparency and facilitate continued engagement from stakeholders, members of the public, and other interested parties. Specifically, the Department is seeking public input on the proposed rule language to assist in identifying potential regulatory and technical issues, and areas that require additional clarification or modification. Additional opportunities for public input and changes to the draft rule will occur through the formal rule-making process following the filing of the rulemaking petition. This initial, pre-petition process will help ensure that major issues or problematic areas are identified and can be addressed prior to the initiation of the formal process.

NMED is soliciting specific review and public input on a number of proposed provisions and concepts in the draft rule. In particular, for the equipment standards section, NMED requests feedback on the following:

1. The proposed definitions of stripper wells and marginal wells under the draft rule and the regulatory requirements that would apply to those wells under Section 20.2.50.25 NMAC;
2. Examples of technologies or regulatory programs utilizing non-combustion emission control technologies, like fuel cells, as a means of reducing or eliminating emissions for inclusion in Section 20.2.50.15 NMAC;
3. Specific regulatory language regarding criteria necessary to demonstrate equivalency of alternative equipment leak monitoring plans in Section 20.2.50.16(C) NMAC;
4. Specific regulatory language to establish a pre-approved equipment leak monitoring plan in 20.2.50.16(C) NMAC;
5. For leak detection and repair requirements under Section 20.2.50.16 NMAC, specific standards to be used by NMED to determine if certain new or existing technologies (real-time remote fence line and aerial surveillance, for example) or proposals are enforceable, effective, and equivalent. Specific feedback on data capture requirements, quality assurance, error rates, calibration requirements, training and certification, interference issues, quantification methods, and pollutant identification will assist the Department in exploring this option further;
6. Regulatory requirements for oil and gas evaporative ponds in Section 20.2.50.26 NMAC, including whether to establish emission standards based on the pond's potential to emit or throughput; and
7. Opportunities for greater transparency.

Comments or input on the draft rules may be submitted electronically to nm.methanestrategy@state.nm.us or via hardcopy to Liz Bisbey-Kuehn, NMED Air Quality Bureau, 525 Camino de los Marquez, Santa Fe, NM 87505 by 5 p.m. ~~Aug. 20~~September 16, 2020.

TITLE 20 ENVIRONMENTAL PROTECTION
CHAPTER 2 AIR QUALITY (STATEWIDE)
PART 50 OIL AND NATURAL GAS REGULATION FOR OZONE PRECURSORS

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TITLE 20 ENVIRONMENTAL PROTECTION
CHAPTER 2 AIR QUALITY (STATEWIDE)
PART 50 OIL AND NATURAL GAS REGULATION FOR OZONE PRECURSORS

20.2.50.1 ISSUING AGENCY:
New Mexico Environmental Improvement Board.

20.2.50.2 SCOPE:
This rule applies to sources located within counties that have areas with ambient ozone concentrations in excess of ninety-five percent of the national ambient air quality standard for ozone, including but not limited to Chaves, Eddy, Lea, Rio Arriba, Sandoval, and San Juan. Sources located in Bernalillo County, on Tribal Lands, and in other areas that are not within the Board's jurisdiction are excluded.

20.2.50.3 STATUTORY AUTHORITY: NMSA 1978, § 74-2-5.3

20.2.50.4 DURATION: Permanent.

20.2.50.5 EFFECTIVE DATE:
[To be determined], except where a later date is cited in a section or paragraph.

20.2.50.6 APPLICABILITY:

A. Except as provided in paragraph (B), Part 50 applies to crude oil production and natural gas production equipment and operations that extract, collect, store, transport, or handle hydrocarbon liquids or produced water in the areas specified in 20.2.50.2 NMAC. Crude oil production includes the well and extends to the point of custody transfer to the crude oil transmission pipeline or any other form of transportation. Natural gas production, processing, transmission, and storage includes the well and extends to, but does not include, the local distribution company custody transfer station.

B. Exemptions:

(1) Oil refineries are not subject to this Part.

~~(1)~~(2) Facilities, equipment, or process units subject to the Commission's to emissions reductions pursuant to 40 C.F.R. 51.300−309 are not subject to this Part.

~~(2)~~(3) Equipment located at stripper wells, as defined in 20.2.50.8 NMAC, is exempt from the requirements of this Part 50, except as specified in 20.2.50.25 NMAC.

~~(3)~~(4) Individual facilities with a site-wide total annual potential to emit less than 15 tons per year (tpy) of volatile organic compounds (VOC) are exempt from the requirements of this Part, except as specified in 20.2.50.25 NMAC.

Comment [A2]: Each of the prior B, C, and D are technically exemptions. The revision below is to accurately reflect the scope of exemptions.

20.2.50.7 OBJECTIVE:
The objective of this Part is to establish emission standards for volatile organic compounds (VOC) and nitrogen oxides (NO_X) for oil and gas production and processing sources.

Comment [A3]: Please see comments regarding the inclusion of CO limits in these Proposed Rules. This stated objective, which does not include CO, supports Kinder Morgan's comments.

20.2.50.8 DEFINITIONS:
In addition to the terms defined in 20.2.2 NMAC (Definitions), as used in this Part:

A. "Air Pollution Control Equipment" means open flares, enclosed combustion devices, thermal oxidizers, vapor recovery units, fuel cells, condensers, other combustion devices, air fuel ratio controllers, oxidative catalytic converters, selective and non-selective catalytic converters, or emission reduction equipment or technologies used to comply with emission standards and emission reduction requirements in 20.2.50 NMAC that are approved by the Department.

B. "Approved Instrument Monitoring Method" means an infra-red camera, U.S. EPA Method 21, or other instrument-based monitoring method or program approved by the Department in advance and in accordance with 20.2.50 NMAC.

C. "Auto-Igniter" means a device which will automatically attempt to relight the pilot flame in the combustion chamber of a control device in order to combust volatile organic compound emissions.

D. "Bleed rate" means the rate in standard cubic feet per hour at which natural gas and VOC is continuously vented (bleeds) from a pneumatic controller.

E. "Calendar Year" means a year beginning January 1 and ending December 31.

F. "Centrifugal Compressor" means any machine used for raising the pressure of natural gas by drawing in low pressure natural gas and discharging significantly higher-pressure natural gas by means of mechanical rotating vanes or impellers. Screw, sliding vane, and liquid ring compressors are not centrifugal compressors.

G. "Commencement of operation" means for oil and natural gas wellheads, the date any permanent production equipment is in use and product is flowing to sales lines, gathering lines, or storage tanks from the first producing well at the stationary source, but no later than the end of well completion operations.

H. "Compressor station" means any permanent combination of one or more compressors that move natural gas at increased pressure through gathering or transmission pipelines, or into or out of storage. This includes, but is not limited to, gathering and boosting stations and transmission compressor stations.

I. "Component" means each pump seal, flange, pressure relief device (including thief hatches or other openings on a controlled storage tank), connector, and valve that contains or contacts a process stream with hydrocarbons, except for components in process streams consisting of glycol, amine, produced water, or methanol.

J. "Connector" means flanged, screwed, or other joined fittings used to connect two pipes or a pipe and a piece of process equipment or that close an opening in a pipe that could be connected to another pipe. Joined fittings welded completely around the circumference of the interface are not considered connectors.

K. "Custody Transfer" means the transfer of oil or natural gas after processing and/or treatment in the producing operations or from storage vessels or automatic transfer facilities or other such equipment, including product loading racks, to pipelines or any other forms of transportation.

L. "Department" means the New Mexico Environment Department.

M. "Downtime" means the period of time when equipment is not operational or a well is producing and the air pollution control equipment is not in operation.

N. "Enclosed Combustion Device" means any combustion device where gaseous fuel is combusted in an enclosed chamber. This may include, but is not limited to enclosed flares, boilers, re-boilers, and heaters.

O. "Existing" means any piece of equipment regulated by this Part that began operation prior to the effective date of the rule and has not since been modified or reconstructed.

P. "Gas processing plant" means equipment assembled for the extraction of natural gas liquids from natural gas, the fractionation of the liquids into natural gas products, or other operations associated with the processing of natural gas products. A process unit can operate independently if supplied with sufficient feed or raw materials and sufficient storage facilities for the products.

Q. "Gathering and boosting site" means any permanent combination of equipment that collect or move natural gas, crude oil, condensate, or produced water between the wellhead site and midstream oil and natural gas collection or distribution facilities such as tank batteries or compressor stations, or into or out of storage.

R. "Glycol Dehydrator" means any device in which a liquid glycol absorbent (including, ethylene glycol, diethylene glycol, or triethylene glycol) directly contacts a natural gas stream and absorbs water.

S. "Hydrocarbon liquids" means any naturally occurring, unrefined petroleum liquid with a vapor pressure of greater than 1.5 psia. Hydrocarbon liquids ~~and~~ can include oil, condensate, produced water, and intermediate hydrocarbons.

T. "Infra-red Camera" means an optical gas imaging instrument designed for and capable of detecting hydrocarbons.

U. "Liquids Unloading" means the removal of accumulated liquids from the wellbore that reduce or stop natural gas production.

V. "Liquid Transfers" means the loading and unloading of hydrocarbon liquids or produced water between storage tanks and tanker trucks or tanker rail cars for transport.

W. "Modification" means any physical change in, or change in the method of operation of, a stationary source which results in an increase in the potential emission rate of any regulated air contaminant emitted by the source or which results in the emission of any regulated air contaminant not previously emitted, but does not include:

(1) a change in ownership of the source;

(2) routine maintenance, repair or replacement;

(3) installation of air pollution control equipment, and all related process equipment and materials necessary for its operation, undertaken for the purpose of complying with regulations adopted by the board or pursuant to the federal act; or

(4) unless previously limited by enforceable permit conditions:

(a) an increase in the production rate, if such increase does not exceed the operating design capacity of the source;

(b) an increase in the hours of operation; or

(c) use of an alternative fuel or raw material if, prior to January 6, l975, the source was capable of accommodating such fuel or raw material, or if use of an alternate fuel or raw material is caused by any natural gas curtailment or emergency allocation or any other lack of supply of natural gas.

X. "Natural Gas Compressor Station" means one or more compressors designed to compress natural gas from well pressure to gathering system pressure prior to the inlet of a natural gas processing plant, or to move compressed natural gas through a transmission pipeline.

Y. "Natural Gas-Fired Heater" means an enclosed device using controlled flame and with a primary purpose to transfer heat directly to a process material or to a heat transfer material for use in a process.

Z. "Natural Gas Processing Plant" means any processing equipment engaged in the extraction of natural gas liquids from natural gas, fractionation of mixed natural gas liquids to natural gas products, or both. A Joule-Thompson valve, a dew point

Comment [A4]: The definition of hydrocarbon liquids should specify a minimum vapor pressure (>1.5 psia) because only such liquids need to be further regulated in order to achieve ozone attainment goals. It is unreasonable to include liquids with trace quantities of oil in this definition.

depression valve, or an isolated or standalone Joule-Thompson skid is not a natural gas processing plant.

AA. "New" means any piece of equipment regulated by this Part that began operation on or after the effective date.

BB. "Optical gas imaging" means an imaging technology that utilizes high-sensitivity infra-red cameras designed for and capable of detecting hydrocarbons.

CC. "Pneumatic Controller" means an automated instrument used for maintaining a process condition such as liquid level, pressure, flow volume, delta-pressure and temperature.

DD. "Pneumatic Pump" means a positive displacement pump powered by pressurized natural gas that uses the reciprocating action of flexible diaphragms in conjunction with check valves to pump a fluid. A pump in which a fluid is displaced by a piston driven by a diaphragm is not considered a diaphragm pump. A lean glycol circulation pump that relies on energy exchange with the rich glycol from the contactor is not considered a diaphragm pump.

EE. "Potential to Emit" means the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is federally enforceable. The potential to emit for nitrogen dioxide shall be based on total oxides of nitrogen.

FF. "Produced Water" means water that is extracted from the earth from an oil or natural gas production well, or that is separated from crude oil, condensate, or natural gas after extraction.

GG. "Reciprocating Compressor" means a piece of equipment that increases the pressure of process gas by positive displacement, employing linear movement of the piston rod.

HH. "Responsible Official" means one of the following:

(1) For a corporation: a president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating.

(2) For a partnership or sole proprietorship: a general partner or the proprietor, respectively.

(3) For a municipality, state, federal or other public agency: either a principal executive officer or ranking elected official. For the purposes of this part, a principal executive officer of a federal agency includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency (e.g., a regional administrator of US EPA).

II. "Startup" means the setting into operation of any air pollution control equipment or process equipment.

JJ. "Storage tank" means any process vessel, or fixed roof storage vessel or series of storage vessels that are connected together via a liquid line.

KK. "Storage vessel" means a single tank or other vessel that is designed to contain an accumulation of hydrocarbon liquids or produced water and is constructed primarily of non-earthen materials (such as wood, concrete, steel, fiberglass, or plastic) which provide structural support, or a process vessel such as surge control vessels, bottom receivers, or knockout vessels. A well completion vessel that receives recovered liquids from a well after commencement of operation for a period which exceeds 60 days is considered a storage vessel. A storage vessel does not include: vessels that are skid-mounted or permanently attached to something that is mobile (such as trucks, railcars, barges, or ships); are located at the site for less than 180 consecutive days; or pressure vessels designed to operate in excess of 204.9 kilopascals and without emissions to the atmosphere.

LL. "Stripper well" means an oil well with a maximum daily average oil production not exceeding 10 barrels of oil per day, or a natural gas well with a maximum daily average natural gas production not exceeding 60,000 standard cubic feet per day, or a well with a maximum daily average combined oil and natural gas production not exceeding 10 barrels of oil equivalent per day during any 12-month consecutive time period.

MM. "Wellhead site" means all equipment at a single stationary source directly associated with one or more oil wells or natural gas wells upstream of the natural gas processing plant. This equipment includes, but is not limited to, equipment used for extraction, collection, routing, storage, separation, treating, dehydration, artificial lift, combustion, compression, pumping, metering, monitoring, and flowline.

20.2.50.9 AMENDMENT AND SUPERSESSION OF PRIOR REGULATIONS [PLACEHOLDER]

20.2.50.10 DOCUMENTS:

Documents incorporated and cited in this Part may be viewed at the New Mexico Environment Department, Air Quality Bureau, Harold Runnels Building, 1190 St. Francis Dr., or 2048 Galisteo St., Santa Fe, NM 87502 [87505].

20.2.50.11 PLACEHOLDER

20.2.50.12 GENERAL PROVISIONS

A. General Requirements

(1) All equipment subject to requirements under 20.2.50 NMAC shall be operated and maintained consistent with manufacturer specifications or other written specifications or plans and good engineering and maintenance practices. The owner or operator shall keep manufacturer specifications or other written specifications or plans, as applicable, and maintenance practices on file and make them available upon request by the Department.

~~**(2)** Owners and operators of equipment subject to requirements under 20.2.50 NMAC shall establish and implement a plan to minimize emissions during routine or predictable startup, shutdown, and scheduled maintenance through work practice standards and good air pollution control practices. [20.2.7.14 NMAC]~~

~~**(3)** The emission of an air contaminant in excess of the quantity, rate, opacity, or concentration specified in 20.2.50 NMAC that results in an excess emission is a violation of 20.2.50 NMAC.~~

Comment [A5]: Please see Kinder Morgan's comments regarding removing all duplicative monitoring, recordkeeping, and reporting requirements from this section to resolve issues of internal inconsistency and confusion. We sought to retain only truly general provisions.

Comment [A6]: As noted in Kinder Morgan's comments, in many cases, manufacturers do not have thorough maintenance recommendations, recommendations are no longer available because manufacturers no longer exist, or manufacturers may make extraneous recommendations that exceed what is necessary for minimizing emissions. Therefore, we recommend adding the redlined language.

Comment [A7]: The requirement to "minimize emissions" during routine or predictable startup, shutdown, and scheduled maintenance is improper. Emissions during these processes are regulated in most existing permits, and should continue to be subject to concrete, numeric standards. This "minimize emissions" language is, in effect, a general duty clause. General duty clauses hark back to previous regulatory methods in which air quality control rules did not include the specific monitoring, reporting, and recordkeeping requirements that they include now. They are problematic because they permit discretionary and potentially arbitrary enforcement. Kinder Morgan respectfully requests that the NMED remove this language because it is unnecessary and problematic in light of the detailed requirements set out in the Proposed Rules.

Comment [A8]: This provision is unnecessary. NMED and EIB clearly have authority to enforce these rules, once final, including the emissions thresholds.

~~(4)~~(2) The owner or operator of equipment having an excess emission shall comply with 20.2.7 NMAC ~~and, to the extent practicable, operate the equipment, including associated air pollution control equipment, in a manner consistent with good air pollution control practices for minimizing emissions~~.

(3) The owner or operator of equipment that has an excess emission may claim an affirmative defense for the excess emission pursuant to 20.2.7.111, 20.2.7.112, and 20.2.7.113 NMAC.

~~(5)~~

B. Equipment Monitoring Information and Tracking Tag (EMITT)

~~(6)~~(1) Within one year of the effective date of this rule, owners and operators of equipment requiring an Equipment Monitoring Information and Tracking Tag (EMITT) shall physically tag the unit with an EMITT that is scannable with a hand held scanner (RFID or QR) that uniquely identifies the unit to which it is assigned and the EMITT shall be maintained by the owner or operator. Data in the EMITT shall be scannable by state inspectors to provide at a minimum, the following information:

(a) Unique unit identification number;
(b) UTM coordinates of the facility;
(c) Type of unit (tank, VRU, dehydrator, pneumatic controller, etc.);
(d) For equipment, the VOC (and NOx, if applicable) potential to emit in pounds per hour and tons per year; and
(e) For control equipment, the controlled VOC (and NOx, if applicable) potential to emit in pounds per hour and tons per year and the design control efficiency in percent.

(2) The EMITT shall be linked to an EMITT Database accessible to state inspectors that at a minimum supplies the data required by Section 20.2.50.12 NMAC and any other data required for that equipment under this Part.

(3) Each EMITT shall be initially scanned and the required monitoring data shall be electronically captured during the monitoring event. The captured data shall be uploaded (either live or subsequently) into the database. At a minimum, the uploaded data shall include:

(a) Date and time of the monitoring event;
(b) The name of the monitoring personnel;
(c) Unique unit identification number;
(d) Type of unit;
(e) A description of any maintenance or repair activities conducted; and

~~(7)~~(4) Required results of any monitoring required by 20.2.50 NMAC

~~B.~~C. Monitoring Requirements

~~(1) All equipment subject to control or monitoring requirements under this Part shall be inspected monthly to ensure proper maintenance and operation, unless a different inspection schedule is specified in the section below applicable to that particular type equipment. If the emission unit is shutdown at the time when periodic monitoring or inspections are due to be accomplished, the owner or operator is not required to restart the unit for the sole purpose of performing the monitoring or inspection but shall so note in the equipment or controller's records.~~

~~(2)~~(1) All periodic monitoring events shall be conducted at 90% or greater of the unit's capacity. If the 90% capacity cannot be achieved, the monitoring will be

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Comment [A9]: Because this requirement is cross-referenced multiple times, Kinder Morgan proposes the "EMITT" requirements be consolidated in their own general subsection as they include "general requirements," "monitoring," and "recordkeeping." It is more efficient to reference back to one section on EMITT than all of Section 12, which may not apply.

Comment [A10]: Relocated from below.

Comment [A11]: Please see Kinder Morgan's comments regarding (i) whether this Section and Section C (now D), below, are intended to refer to emission monitoring and recordkeeping requirements and (ii) the monthly inspection monitoring requirement.

conducted at the reasonable maximum achievable load under prevailing operating conditions at the time of the monitoring event. Periodic monitoring events shall not subsequently impact the maximum allowable operating capacity.

~~(3)~~(2) In order to allow for equivalent new and alternate monitoring technologies that satisfy the requirements of this regulation, prior to implementing, owners and operators may request an equally effective, enforceable, and equivalent alternative monitoring strategy to the Department for approval.

(a) Each request shall be made on application forms provided by the Department. Upon approval of a request, the Department will issue within 30-days of a complete application an Alternative Monitoring Approval Letter. All Alternative Monitoring Approval Letters will be published on a link on the Department's webpage to provide authorization for the use of the approved alternative monitoring method.

(b) Each owner or operator will need to request and receive approval from the Department in order to operate under an approved Alternative Monitoring Strategy.

(3) Periodic Monitoring Exemption

(a) If the emission unit is shutdown at the time when periodic monitoring is due to be completed, the operator is not required to restart the unit for the sole purpose of conducting the monitoring. The operator shall keep a record of the delay in emission tests prior to the deadline for completing the tests. Upon recommencing operation, the shall complete the monitoring.

(b) The requirement for monitoring during any monitoring period is based on the percentage of time that the unit has operated. However, to invoke monitoring period exemptions, hours of operation shall be monitored and recorded.

(1) If the emission unit has operated for more than 25% of a monitoring period, then the permittee shall conduct monitoring during that period.

(2) If the emission unit has operated for 25% or less of a monitoring period then the monitoring is not required. After two successive periods without monitoring, the permittee shall conduct monitoring during the next period regardless of the time operated during that period, except that for any monitoring period in which a unit has operated for less than 10% of the monitoring period, the period will not be considered as one of the two successive periods.

(3) If invoking the monitoring period exemption, the actual operating time of a unit shall not exceed the monitoring period required before the required monitoring is performed. For example, if the monitoring period is annual, the operating hours of the unit shall not exceed 8760 hours before monitoring is conducted. Regardless of the time that a unit actually operates, a minimum of one of each type of monitoring activity shall be conducted during the five year term of this permit.

~~**(4)** Each EMITT shall be initially scanned and the required monitoring data shall be electronically captured during the monitoring event. The captured data shall be uploaded (either live or subsequently) into the database. At a minimum, the~~

Comment [A12]: Given the nature of certain variable operations, and in particular, transmission facilities, 90% capacity cannot be guaranteed. The max achievable load at the time of the monitoring event must be acceptable, and such monitoring event cannot impact the facility's overall max operating capacity. Such a result would significantly disrupt and upset the transmission and distribution system.

Comment [A13]: What is the process if a request is not approved?

Comment [A14]: This is a common permit provision and should be included here as a general exemption.

Comment [A15]: Relocated above to the new "EMITT" section.

~~uploaded data shall include:~~
~~(a) Date and time of the monitoring event;~~
~~(b) The name of the monitoring personnel;~~
~~(c) Unique unit identification number;~~
~~(d) Type of unit;~~
~~(e) A description of any maintenance or repair activities conducted; and~~
~~(f)~~(c)~~Required results of any monitoring required by 20.2.50 NMAC~~.

~~C.~~D. Recordkeeping Requirements

~~(1) Owners and operators shall keep records of any inspections and/or maintenance required under this Part. Records shall include:~~
~~(a) Date and time of the monitoring event;~~
~~(b) The name of the monitoring personnel;~~
~~(c) Unique unit identification number;~~
~~(d) Type of unit;~~
~~(e) Required results of any monitoring required by 20.2.50 NMAC;~~
~~(f) Equipment make, model and serial number;~~
~~(g) A copy of the equipment manufacturer's maintenance or repair recommendations;~~
~~(h) A description of any maintenance or repair activities conducted; and~~
~~(i) All results of any required parameter readings.~~

~~(2)~~(1) Owners and operators shall keep records required by this Part for a period of five years. The records shall be retained electronically. The Department may treat a 5% ~~any~~ loss of data or failure to maintain records (including failure to transfer records upon sale or transfer or ownership or operating authority) as a failure to collect the data.

~~(3)~~(2) Owners and operators shall keep records of emissions from equipment malfunctions and routine or predictable emissions during startup, shutdown, and scheduled maintenance.

~~(4)~~(3) Owners and operators of equipment having an excess emission shall record the following information no later than ten (10) days after the end of the excess emission event:
(a) The equipment type and identification number;
(b) The location, date, and time;
(c) The emission limit or air quality regulation that was exceeded;
(d) The air contaminant and the magnitude of the excess emission expressed in the units of the limit or air quality regulation;
(e) The cause of the excess emission and any steps taken to limit the magnitude and duration of the excess emissions;
(f) The corrective action(s) taken to eliminate the cause of the excess emission and prevent a recurrence, if required; and
(g) Whether the owner or operator attributes the excess emission to malfunction, startup, or shutdown.

~~(5)~~(4) Records of each EMITT monitoring event required by 20.2.50.12.B NMAC shall be electronically uploaded (either in real time or subsequently) into the EMITT database. At a minimum, the uploaded data shall include the data required in 20.2.50.12.B(4) and 20.2.50.12.C(4) NMAC.Prior to the transfer of ownership of any equipment subject to this Part, the current owner or operator

Comment [A16]: Please see Kinder Morgan's comments regarding whether this Section is intended to refer to emission recordkeeping requirements.

Comment [A17]: Specific recordkeeping requirements should be included in each section. As currently drafted, each subsection already has a recordkeeping requirement, many of which seem inconsistent with these general requirements.

Comment [A18]: The term "any" is too strict. For abbreviated periods, loss of electronic data occurs systematically with every data acquisition system. Most periods are dependent on the systems programming and hardware and typically can range from 1 to 2 minutes or longer. 5% is the threshold for data loss used by the feds and other states.

shall conduct and document a full compliance evaluation of all equipment subject to the rule. The documentation shall indicate whether or not each piece of equipment subject to requirements under this Part is currently complying with those requirements. The compliance determination shall be conducted no earlier than one year prior to the transfer.

~~D.~~E. Reporting Requirements

(1) Owners and operators shall submit reports within two weeks of receipt of ~~upon~~ the written hard copy or written electronic request of the Department. Owners and operators may request additional time in which to respond to requests for reports from the Department, and the Department shall not unreasonably deny such requests. Any reports requested by the Department shall be submitted electronically via the Department's Secure Extranet Portal (SEP) at https://sep.net.env.nm.gov/sep/login-form.

(2) Owner ~~and~~ or operators of a source having an excess emission shall submit a Root Cause and Corrective Action Analysis, as directed in 20.2.7.114 NMAC, upon the request of the department.

20.2.50.13 STANDARDS FOR ENGINES AND TURBINES

A. Applicability

(1) New and existing portable and stationary natural gas-fired spark ignition engines, compression ignition engines, and natural gas-fired combustion turbines with capacity of greater than 500 hp, which are located at wellheads, tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations, are subject to the requirements of 20.2.50.13 NMAC. If multiple sources are present at a facility and performing similar functions, aggregate hp may be used to determine the applicability of 20.2.50.13 NMAC.

(2) Existing sources that were subject to federal standards of performance under 40 CFR Part 60 and Part 63 between March 25, 2004 and January 1, 2009 are exempt from the requirements of 20.2.50.13 NMAC.

(3) Emergency units with capacity of less than 1000 hp are exempt from the requirements of 20.2.50.13 NMAC.

B. Emission Standards

(1) Owners and operators of each portable or stationary natural gas-fired spark ignition engine, compression ignition engine, and natural gas-fired combustion turbine shall ensure compliance with the emission standards in 20.2.50.13.B NMAC by the dates specified in 20.2.50.13.B NMAC.

(2) Each natural gas-fired spark ignition engine shall comply with the applicable emission standards in Table 1 of 20.2.50.13 NMAC.

(3) By January 1, 2022, owners and operators of existing engines shall complete an inventory of all existing engines and shall prepare a schedule for each existing engine to ensure that all existing engines comply with these requirements and meet or exceed the emission standards in Table 1 by January 1, 2028. The schedule shall meet the following requirements:

Comment [A19]: The section is unnecessarily incorporating smaller emitting sources that likely contribute only minor portions of overall VOC and NOx emissions. Applicability should therefore be restricted to individual sources >500 HP. When multiple sources are present and performing similar functions at a facility, aggregate HP can be grouped in order to evaluate applicability.

Comment [A20]: Please see Kinder Morgan's comments regarding the application of these Proposed Rules to emergency units.

Comment [A21]: A mechanism must be incorporated whereby operators can request and be granted an extension. The proposed dates here may be achievable for some operators, and not for others. For Kinder Morgan, the number of engines requiring retrofit or replacement are significant and cannot reasonably be achieved by 2028, considering that Kinder Morgan must provide natural gas to its customers and cannot simply shutdown all facilities at will to accommodate the replacement/retrofit schedule. We have borrowed language from NMED with respect to the alternative leak detection program to develop an alternative process.

(a) By January 1, 2024, owners and operators shall ensure 30% of the company’s fleet of existing engines meet the requirements of Table 1.

(b) By January 1, 2026, owners and operators shall ensure an additional 35% of the company’s fleet of existing engines meet the requirements of Table 1.

(c) By January 1, 2028, owners and operators shall ensure that the remaining 35% of the company’s fleet of existing engines meet the requirements of Table 1.

(4) As an alternative and equivalent means of compliance with 20.2.50.13.B.(3) NMAC, owners or operators may comply with the engine emissions standards through an individual alternative plan approved by the Department, subject to the following requirements:

(a) Upon the Department’s approval of an alternative plan, the owner or operator shall comply with the terms and conditions of the approved alternative plan.

(b) A responsible official shall certify compliance with the approved alternative plan on behalf of the owner or operator on an annual basis.

(c) The Department may terminate an approved alternative plan if the Department finds that the owner or operator failed to comply with any provision of the plan and failed to correct and disclose the violation(s) to the Department within 15 calendar days of identifying the violation.

Table 1 - Emission Standards for Natural Gas-Fired Spark-Ignition Engines

For each natural gas-fired spark-ignition engine constructed or reconstructed and installed before the effective date of 20.2.50 NMAC, the owner or operator shall ensure the existing engine(s) does not exceed the following emission standards as determined by the compliance schedule required in 20.2.50.13.B(3) NMAC:				
Engine Type	Rated bhp	NO_x	~~CO~~	NMNEHC (as propane)
Lean-burn	≤100	2.0 g/bhp-h	~~2.0 g/bhp-h~~	-
Lean-burn	>100 - ≤500	1.0 g/bhp-h	~~2.0 g/bhp-h~~	0.70 g/bhp-h
Lean-burn	>500	0.50 g/bhp-h	~~47 ppmvd @ 15% O2 or 93% reduction~~	0.30 g/bhp-h
Rich-burn	≤100	2.0 g/bhp-h	~~2.0 g/bhp-h~~	-
Rich-burn	>100 - ≤500	0.25 g/bhp-h	~~0.30 g/bhp-h~~	0.20 g/bhp-h
Rich-burn	>500	0.20 g/bhp-h	~~0.30 g/bhp-h~~	0.20 g/bhp-h
For each natural gas-fired spark-ignition engine constructed or reconstructed and installed on or after the effective date of 20.2.50 NMAC, the owner or operator shall ensure the engine does not exceed the following emission standards upon startup:				
Engine Type	Rated bhp	NO_x	~~CO~~	NMNEHC (as propane)

Comment [A22]: Please see Kinder Morgan’s comments regarding the feasibility and cost-effectiveness of these proposed standards.

Comment [A23]: Please see comments regarding the inclusion of CO limits in these Proposed Rules.

Comment [A24]: Please see comments regarding the inclusion of CO limits in these Proposed Rules.

Lean-burn	≤100	1.0 g/bhp-h	~~2.0 g/bhp-h~~	0.70 g/bhp-h
Lean-burn	>100 - ≤500	1.0 g/bhp-h	~~0.70 g/bhp-h~~	0.30 g/bhp-h
Lean-burn	>500 - <2,370	0.50 g/bhp-h	~~0.25 g/bhp-h~~	0.30 g/bhp-h
Lean-burn	≥2,370	0.30 g/bhp-h ~~Uncontrolled or 0.05 g/bhp-h with Control~~	~~0.25 g/bhp-h~~	0.30 g/bhp-h
Rich-burn	≤100	1.0 g/bhp-h	~~2.0 g/bhp-h~~	0.70 g/bhp-h
Rich-burn	>100 - ≤500	0.25 g/bhp-h	~~0.30 g/bhp-h~~	0.20 g/bhp-h
Rich-burn	>500	0.20 g/bhp-h	~~0.30 g/bhp-h~~	0.20 g/bhp-h

Comment [A25]: Please see comments regarding uncontrolled vs. controlled standards.

(5) Owners and operators of natural gas-fired spark ignition engines that control NOx emissions with a control technology that uses ammonia or urea as a reagent shall ensure that the exhaust ammonia slip is limited to 10 ppmvd or less, corrected to 15 percent oxygen.

(6) Owners and operators of each compression ignition engine shall ensure compliance with the applicable emission standards in 20.2.50.13.B(5)(a) NMAC and 20.2.50.13.B(5)(b) NMAC.

(a) Stationary compression ignition engines that are subject to and complying with standards in 40 CFR Part 60, subpart IIII, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines, are exempt from the requirements of this paragraph.

(b) Portable and stationary compression ignition engines with a maximum design power output equal to or greater than 500 horsepower that are not subject to the emission standards under 20.2.50.13.B(5)(a) NMAC shall limit NOx emissions to no more than 9 g/bhp-h. For each compression-ignition engine constructed or reconstructed and installed before the effective date of this Part, the owner or operator shall ensure compliance no later than one year from the effective date. For each compression-ignition engine constructed or reconstructed and installed on or after the effective date of this Part, the owner or operator shall ensure compliance upon startup.

(7) Owners and operators of portable or stationary compression ignition engines that control NOx emissions with a control technology that uses ammonia or urea as a reagent shall ensure that the exhaust ammonia slip is limited to 10 ppmvd or less corrected to 15 percent oxygen.

(8) Owners and operators of stationary natural gas-fired combustion turbines with a maximum design rating equal to or greater than 1,000 bhp (or a maximum heat input capacity equal to or greater than 2.54 MMBtu/hr) shall comply with the applicable emission standards for existing, new, or reconstructed turbines listed in Table 2 of 20.2.50.13 NMAC.

(a) As an alternative and equivalent means of compliance with 20.2.50.13.B.(8)

NMAC, owners or operators may comply with the turbine emissions standards through an individual alternative plan approved by the Department, subject to the following requirements:

1. Upon the Department's approval of an alternative plan, the owner or operator shall comply with the terms and conditions of the approved alternative plan.
2. A responsible official shall certify compliance with the approved alternative plan on behalf of the owner or operator on an annual basis.
3. The Department may terminate an approved alternative plan if the Department finds that the owner or operator failed to comply with any provision of the plan and failed to correct and disclose the violation(s) to the Department within 15 calendar days of identifying the violation.

Table 2 - Emission Standards for Stationary Combustion Turbines

For each natural gas-fired combustion turbine constructed or reconstructed and installed before the effective date of 20.2.50 NMAC, the owner or operator shall ensure the turbine does not exceed the following emission standards no later than one year from the effective date:				
Turbine Rating* (bhp)	Turbine Rating (MMBtu/hr)	NOx (ppmvd @15% O2)	~~CO (ppmvd @ 15% O2)~~	NMNEHC (as propane, ppmvd @15% O2)
≥1,000 and <5,000	≥2.54 and <12.7	25	~~25~~	9
≥5,000 and <15,000	≥12.7 and <38.2	15	~~25~~	9
≥15,000	≥38.2	15	~~10 or 93% reduction~~	5 or 50% reduction
For each natural gas-fired combustion turbine constructed or reconstructed and installed on or after the effective date of 20.2.50 NMAC, the owner or operator shall ensure the turbine does not exceed the following emission standards upon startup:				
Turbine Rating (bhp)	Turbine Rating (MMBtu/hr)	NOx (ppmvd @15% O2)	~~CO (ppmvd @ 15% O2)~~	NMNEHC (as propane, ppmvd @15% O2)
≥1,000 and <5,000	≥2.54 and <12.7	25	~~25~~	9
≥5,000 and <15,900	≥12.7 and <40.4	15	~~10~~	9

Comment [A26]: Please see Kinder Morgan's comments regarding the feasibility and cost-effectiveness of these proposed standards.

Comment [A27]: Please see comments regarding the inclusion of CO limits in these Proposed Rules.

Comment [A28]: Please see comments regarding the inclusion of CO limits in these Proposed Rules.

≥15,900	≥40.4	9.0 Uncontrolled ~~or~~ ~~2.0 with Control~~	~~10 Uncontrolled or~~ ~~1.8 with Control~~	5

* Rating means the manufacturer's rated horsepower at site elevation, with 100% load and ISO temperature & humidity (59 degrees F and 60% relative humidity).

(9) Owners and operators of stationary natural gas-fired combustion turbines that control NOx emissions with a control technology that uses ammonia or urea as a reagent shall ensure that the exhaust ammonia slip is limited to 10 ppmvd or less, corrected to 15% oxygen.

(10) Owners and operators of new or existing engines or turbines shall install an Equipment Monitoring and Information Tracking Tag (EMITT) on each engine or turbine in accordance with 20.2.50.12 NMAC.

C. Monitoring Requirements

(1) Maintenance and repair for all spark ignition engines, compression ignition engines, and stationary combustion turbines shall meet the minimum engine or turbine manufacturer's recommended maintenance schedule, or other written specifications or plans. Activities that involve engine or turbine maintenance, adjustment, replacement, or repair of functional components with the potential to affect the operation of an emission unit shall be documented as they occur for the following events:

(a) Routine maintenance that takes a unit out of service for more than two hours during any 24-hour period.

(b) Unscheduled repairs that require a unit to be taken out of service for more than two hours in any 24-hour period.

(2) Oxidation catalytic converters, selective and non-selective catalytic converters, and air-fuel ratio (AFR) controllers shall be maintained according to manufacturer's or supplier's recommended maintenance, including replacement of oxygen sensors as necessary for oxygen-based controllers. During periods of catalyst or AFR controller maintenance, the owner or operator shall shut down the engine(s) or turbine(s) until the catalyst or AFR controller can be replaced with a functionally equivalent spare to allow the engine or turbine to remain in operation.

(3) Compliance with the emission standards in 20.2.50.13.B NMAC shall be demonstrated by performing an initial and annual test for NOx~~, CO~~, and non-methane non-ethane hydrocarbons (NMNEHC) using a portable analyzer or EPA Reference Methods. For units with g/hp-hr emission standards, the engine load shall be calculated by using the following equations:

$$\text{Load (Hp)} = \frac{\text{Fuel consumption (scfh) x Measured fuel heating value (LHV btu/scf)}}{\text{Manufacturer's rated BSFC (btu/bhp-hr) at 100\% load or best efficiency}}$$

$$\text{Load (Hp)} = \frac{\text{Fuel consumption (gal/hr) x Measured fuel heating value (LHV btu/gal)}}{\text{Manufacturer's rated BSFC (btu/bhp-hr) at 100\% load or best efficiency}}$$

Comment [A29]: Please see comments regarding uncontrolled vs. controlled standards.

Comment [A30]: See prior comment related to older engines or turbines. Kinder Morgan has a fleet of GE turbines built in the 1950s; the practices written then may no longer be applicable today. A provision should be included for companies to use other, more up-to-date specifications or plans.

Comment [A31]: Please see comments regarding the inclusion of CO.

Comment [A32]: The engine load calculation must have additional options. In many cases, and particularly with older engines, the manufacturer brake specific fuel consumption rating is not available or is outdated. As an option, owners or operators can be instructed to include an accurate load calculation methodology in test protocol submissions.

Where:
LVH = lower heating value, btu/scf, or btu/gal, as appropriate
BSCF = brake specific fuel consumption

(a) An alternative accurate load calculation methodology may be specified on test protocol submittals.

~~(a)~~(b) Periodic monitoring utilizing a portable analyzer shall be conducted in accordance with the requirements of the current version of ASTM D 6522. However, if a facility has met a previously approved Department criterion for portable analyzers, the analyzer may be operated in accordance with that criterion until it is replaced.
~~(b)~~(c) The default time period for each test run shall be at least 20 minutes.
~~(c)~~(d) Each performance test shall consist of three separate runs. The arithmetic mean of results of the three runs shall be used to determine compliance with the applicable emission standard.
~~(d)~~(e) For all periodic monitoring events, three test runs shall be conducted at 90% or greater of the unit's capacity. If the 90% capacity cannot be achieved, the monitoring will be conducted at the maximum achievable load under prevailing operating conditions. The load and the parameters used to calculate it shall be recorded to document operating conditions and shall be included with the monitoring test report.
~~(e)~~(f)During emissions tests, pollutant and diluent concentration shall be monitored and recorded. Fuel flow rate shall be monitored and recorded if stack gas flow rate is determined utilizing EPA Reference Method 19. This information shall be included with the monitoring test report.
~~(f)~~(g) Stack gas flow rate shall be calculated in accordance with EPA Reference Method 19 utilizing fuel flow rate (scf) determined by a dedicated fuel flow meter and fuel heating value (Btu/scf). The owner or operator shall provide a contemporaneous fuel gas analysis (preferably on the day of the test, but no earlier than three months prior to the test date) and a recent fuel flow meter calibration certificate (within the most recent quarter) with the final test report. Alternatively, stack gas flow rate may be determined by using EPA Reference Methods 1 through 4.
~~(g)~~(h) The owner or operator shall submit a notification and protocol for periodic emissions tests upon the request of the Department.

(4) Testing shall be conducted once per calendar year. Performance testing required by 40 CFR 60, Subparts GG, IIII, JJJJ, or KKKK, or 40 CFR 63, Subpart ZZZZ may be used to satisfy these periodic testing requirements if they meet the requirements of this section and are completed once per calendar year.

(5) Each ~~monitoring,~~ testing~~, inspection, or tune-up~~ of an engine or turbine shall include the initial scanning of the EMITT, and the ~~monitoring~~ data entry shall be made in accordance with the requirements of 20.2.50.12 NMAC.

D. Recordkeeping Requirements

(1) The owner or operator of spark ignition engines, compression ignition engines, or stationary combustion turbines shall maintain the following records ~~in~~

Comment [A33]: The EMITT requirement should be dropped from this section, or reserved only for testing events. The purpose of maintenance tracking is to ensure compliance with emission limits, which are already being monitored periodically. The addition of tune-up and maintenance events to EMITT tracking is unnecessary and duplicative in nature. Further, many companies already have environmental management and other systems to track maintenance and other requirements. Forcing all operators to employ EMITT is unnecessary, burdensome, and penalizes companies that already have well-developed environmental management systems in place.

~~accordance with 20.2.50.12 NMAC~~ for each engine or turbine of:

(a) The make, model, serial number, and equipment identification number for each engine, turbine, and any control equipment,

(b) A copy of the engine or turbine manufacturer's or control equipment manufacturer's recommended maintenance and repair schedule or other specifications or plans adhered to pursuant to 20.2.50.13.C.(1) NMAC,

(c) Inspections, maintenance and repairs activities on all engines, turbines, and control equipment, including:

(i) Date(s) and time(s) of inspection, maintenance, and/or repair;

(ii) Date(s) any subsequent analyses were performed (if applicable);

(iii) Name of the person or qualified entity conducting the inspection, maintenance, and/or repair;

(iv) A description of the physical condition of the equipment as found during any required inspection;

(v) Description of maintenance or repair activities conducted; and

(vi) Results of required equipment inspections including a description of any condition which required adjustment to bring the equipment back into compliance and a description of the required adjustments.

(d) Results of any required parameter readings.

(2) The owner or operator of spark ignition engines, compression ignition engines, or stationary combustion turbines shall maintain the following records of initial and annual performance testing ~~in accordance with 20.2.50.12 NMAC~~ for each engine or turbine~~, including~~:

(a) The make, model, serial number, and equipment identification number for all tested engines, turbines, and emission control equipment);

(b) Date(s) and time(s) of sampling or measurements;

(c) Date(s) analyses were performed;

(d) The qualified entity that performed the analyses;

(e) Analytical or test methods used;

(f) Results of analyses or tests; and

(g) Operating conditions existing at the time of sampling or measurement.

~~**(3)** Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements.

Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.14 STANDARDS FOR COMPRESSOR SEALS

A. Applicability

(1) All new and existing centrifugal compressors using wet seals located at tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.14 NMAC. Any new or existing centrifugal compressor located at a wellhead is not subject to the requirements of 20.2.50.14 NMAC.

Comment [A34]: NMED should eliminate the internal cross-references and include the required recordkeeping requirements in each subsection because each subsection request different information. Including both reference to the "general provisions" and specific subsections creates confusion and the opportunity for internal inconsistency.

Comment [A35]: See earlier comments regarding owner/operator maintenance plans.

(2) All new and existing reciprocating compressors located at tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.14 NMAC. Any new or existing reciprocating compressor located at a wellhead is not subject to the requirements of 20.2.50.14 NMAC.

B. Emission Standards

(1) Owners and operators of existing centrifugal compressors shall control VOC emissions from each centrifugal compressor wet seal fluid degassing system by 95%, beginning ~~on~~ no later than one year from the effective date of this Part. Emissions shall be captured and routed via a closed vent system to a control system, a recovery system, fuel cell, or a process stream.

(2) Owners and operators of existing reciprocating compressors shall, either:

(a) Replace the reciprocating compressor rod packing after every 26,000 hours of compressor operation or every 36 months, whichever is reached later. The owner or operator shall begin counting the hours and months of compressor operation toward the first replacement of the rod packing beginning no later than one year from the effective date; OR

(b) Beginning no later than one year from the effective date, collect emissions from the rod packing under negative pressure and route via a closed vent system to a control system, a recovery system, fuel cell, or a process stream.

(3) Owners and operators of new centrifugal compressors shall control VOC emissions from each centrifugal compressor wet seal fluid degassing system by 98% upon startup. Emissions shall be captured and routed via a closed vent system to a control system, a recovery system, fuel cell, or a process stream.

(4) Owners and operators of new reciprocating compressors shall, upon startup, either:

(a) Replace the reciprocating compressor rod packing after every 26,000 hours of compressor operation, or every 36 months, whichever is reached later; OR

(b) Collect emissions from the rod packing under negative pressure and route via a closed vent system to a control system, a recovery system, fuel cell, or a process stream.

(5) Owners and operators of new and existing centrifugal and reciprocating compressors shall install an Equipment Monitoring Information Tracking Tag (EMITT) on each compressor in accordance with 20.2.50.12 NMAC.

(6) Owners and operators complying with the control requirements in 20.2.50.14.B NMAC through use of a control device shall comply with the control device requirements in 20.2.50.15 NMAC.

(7) Owners and operators with an air permit shall incorporate these requirements in their permit during their next scheduled or requested permit or permit revision.

C. Monitoring Requirements

(1) The owner or operator of a centrifugal compressor complying with 20.2.50.14.B(1) NMAC or 20.2.50.14.B(3) NMAC shall maintain a closed vent system encompassing the wet seal fluid degassing system that complies with the monitoring requirements in 20.2.50.15 NMAC.

(2) The owner or operator of a reciprocating compressor complying with 20.2.50.14.B(2)(a) NMAC or 20.2.50.14.B(4)(a) NMAC shall continuously monitor the number of hours of operation with a non-resettable hour meter and track the number of months since initial startup or since the previous reciprocating compressor rod packing replacement.

(3) The owner or operator of a reciprocating compressor complying with 20.2.50.14.B(2)(b) NMAC or 20.2.50.14.B(4)(b) NMAC shall monitor the rod packing emissions collection system semiannually to ensure that it operates under negative pressure and routes emissions through a closed vent system to a control device.

(4) Owners and operators complying with the requirements in 20.2.50.14.B NMAC through use of a control device shall comply with the monitoring requirements in **20.2.50.15** NMAC.

(1) Owners and operators of new and existing centrifugal and reciprocating compressors, during each required monitoring activity, shall scan the compressor EMITT and perform monitoring data entry in accordance with the requirements of 20.2.50.12 NMAC.

~~**(2)** Owners and operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) The owner or operator of a centrifugal compressor shall maintain records of:

(a) The identification number and location of each centrifugal compressor using a wet seal system,

(b) The date of construction, reconstruction, or modification of each centrifugal compressor,

(c) The records of the monitoring and inspections required in 20.2.50.14.C NMAC. The records shall include the time and date of the inspection, the person conducting the inspection, a notation of which checks required in 20.2.50.12.C NMAC were completed, a description of any problems observed during the inspection, and a description and date of any corrective actions taken, and

(d) The location, type, make, model and unique identification number of any control equipment, recovery system, fuel cell, or process used to comply with the control requirements in 20.2.50.14.B NMAC.

(2) The owner or operator of a reciprocating compressor shall maintain records of the following:

(a) The identification number and location of each reciprocating compressor;

(b) The date of construction, reconstruction, or modification of each reciprocating compressor; and

(c) The records of the monitoring and inspections required in 20.2.50.14.C NMAC. The records shall meet the requirements of 20.2.50.14.C NMAC and shall include:

(i) The number of hours of operation and the number of months of operation since initial startup or the last rod packing replacement;

(ii) The records of pressure in the rod packing emissions collection system; and

(iii) The time and date of the inspection, the person conducting the inspection, a notation of which checks required in 20.2.50.14.C NMAC were completed, a description of any problems observed during the inspection, and a description and date of any corrective actions taken.

(3) Owners and operators complying with the requirements in 20.2.50.14.B NMAC through use of a control device shall comply with the recordkeeping requirements in 20.2.50.15 NMAC.

~~(4) Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements

(1) Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.15 STANDARDS FOR CONTROL DEVICES

A. Applicability

(1) These requirements apply to open flares, enclosed combustors, thermal oxidizers, vapor recovery units, condensers, closed vent collection systems, other combustion devices, or emissions reduction equipment or technologies used to comply with the emission standards and emission reduction requirements in this Part.

B. General Requirements

(1) All air pollution control equipment used to demonstrate compliance with this Part shall be installed, operated, and maintained consistent with manufacturer specifications, safety, and good engineering and maintenance practices.

(2) All air pollution control equipment shall be adequately designed and sized to achieve the control efficiency rates required by this Part and to handle fluctuations in emissions of VOC or NOx.

(3) Owners and operators of a flare, combustion device, vapor recovery equipment, or other emission reduction technology or control device used to comply with the emission standards in this Part shall install an Equipment Monitoring and Information Tracking Tag (EMITT) on each flare, combustion device, vapor recovery equipment, or other emission reduction technology or control device in accordance with 20.2.50.12 NMAC.

~~(4) Owners and operators shall inspect all air pollution control equipment used to control emissions from equipment subject to emission standards under this Part at least monthly to ensure proper maintenance and operation. Each EMITT inspection or monitoring event shall be initially scanned and the required monitoring data shall be electronically captured during the monitoring event.~~

~~(5)~~(4) Owners and operators shall ~~ensure that any flare, combustion device, vapor recovery equipment, or other emission reduction technology or control device~~connect the process vent to the air pollution control equipment ~~used to comply with emission standards in this Part shall at all times operate as a~~through a closed~~-~~vent system that ~~captures and~~ routes all VOC emissions from equipment subject to regulation under this Part to the control or vapor recovery device~~ and that un-combusted gas is not vented to the atmosphere~~.

~~(6)~~(5) Owners and operators shall keep manufacturer specifications for all control or vapor recovery equipment on file. The information shall include:

Comment [A36]: The inspection requirements in this section should be removed. Separate and more specific inspection requirements are cited elsewhere in unit-specific sections, and inspection of the control device used to control the source would be included in such inspection. Further, reference to “at least monthly” inspections here merely creates confusion and is inconsistent with the unit-specific inspection requirements.

Comment [A37]: Kinder Morgan does not object to the proposal of a closed-loop system concept, but believes that revisions are required for consistency with the terminology used and practices employed through implementation of known regulatory programs, such as NSPS, Part HHH. See, e.g., 40 C.F.R. §§ 63.1275(b)(1)(i), 63.1281(c).

(a) Manufacturer's name, control device name and model;
(b) Maximum heating value for open flares, enclosed combustors, and thermal oxidizers;
(c) Fuel gas flow range for open flares, enclosed combustors, and thermal oxidizers; and
(d) Designed destruction or vapor recovery efficiency.

~~(7)~~(6) Owners and operators shall keep records of ~~any stack testing or control or vapor recovery efficiency~~performance testing for all control equipment. The following records shall be kept ~~in accordance with 20.2.50.12 NMAC~~ for each flare, combustion device, vapor recovery equipment, or other emission reduction technology or control device ~~and shall include~~:
(a) Control device type, name and model;
(b) Location;
(c) Date of the ~~stack~~ performance test; and
(d) A summary of the ~~stack~~ performance test results.

C. Requirements for Open Flares
(1) Emission Standards
(a) The flare shall combust all gas sent to the flare at the unit's rated capacity. Owners and operators shall not send gas to the flare in excess of the flare's maximum rated capacity.
(b) Owners and operators shall equip all flares with a continuous pilot flame, an auto-igniter, or require manual ignition.
(i) Flares with a continuous pilot flame or an auto-igniter shall be equipped with a system to ensure the flare is operated with a flame present at all times that gas is being sent to the flare.
(ii) Owners and operators of flares with manual ignition shall inspect and ensure a flame is present upon initiating each flaring event.
(iii) Any new flare constructed or re-constructed after the effective date of this Part shall be equipped with an auto-igniter. The auto-igniter shall be installed and operational upon startup.
(iv) Any existing flare constructed prior to the effective date of this Part shall be equipped with an auto-igniter no later than one year after the effective date**.**
(c) Owners and operators shall operate any flare used for controlling VOC emissions to comply with this Part with ~~no visible~~ emissions not to exceed 20% opacity, except for periods not to exceed a total of sixty (60) seconds during any fifteen (15) consecutive minutes. The flare shall be designed so that an observer can, by means of visual observation from the outside of the flare, or by other means such as a continuous monitoring device, determine whether it is operating properly.
(2) Monitoring Requirements
(a) Owners and operators of flares with a continuous pilot or an auto igniter shall continuously monitor the presence of a pilot flame using a thermocouple equipped with a continuous recorder and alarm to detect the presence of a flame. Owners and operators may use any other equivalent device that fulfills the same purpose.
(b) Owners and operators of manually ignited flares shall monitor the presence of

Comment [A38]: Control devices have design destruction efficiencies, and in most cases, those efficiencies are not 100%.

Comment [A39]: Replace "no visible emissions" with "emissions not to exceed 20% opacity". The term 'no visible emission' is too strict a standard and does not allow for normal operation. This revisions uses standard permit language that triggers a follow-up method 9 test when visible emissions are observed via Method 22.

a flame using continual visual observation during each flaring event.

(c) Owners and operators, at least quarterly, and upon observing any visible emissions, shall perform a U.S. EPA Method 22 observation while the flare pilot flame is present to certify compliance with visible emission requirements. The observation period shall be a minimum of fifteen (15) consecutive minutes.

~~(c) Each EMITT inspection or monitoring event shall be initially scanned and the required monitoring data shall be electronically captured during the monitoring event in accordance with the monitoring requirements of 20.2.50.12 NMAC.~~

(3) Recordkeeping Requirements

(a) The owner or operator of open flares subject to regulation under 20.2.50.15.A NMAC shall keep the following records for each flare~~ in accordance with 20.2.50.12 NMAC of the following~~:

(i) All instances of alarm activation, including the date and cause of alarm activation, actions taken to bring the flare into a normal operating condition, the name of the personnel conducting the inspection, and any maintenance activities performed;

(ii) The results of the U.S. EPA Method 22 observations and flame inspection for manual flares and

~~(iii) The results of any gas analysis for the gas being flared, including VOC content and heating value.~~

Comment [A40]: Reference to "any gas analysis" is unclear for multiple reasons. In particular, it suggests that gas analysis reports are required to be maintained, however, the requirement to conduct a gas analysis is not expressed, nor is a frequency indicated. This section should be deleted unless significantly clarified.

(4) Reporting Requirements

Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

D. Requirements for Enclosed Combustion Devices (ECD) and Thermal Oxidizers (TO)

(1) Emission Standards

(a) The ECD/TO shall combust all gas sent to the ECD/TO at the unit's rated capacity. ~~Owners and operators shall not send gas to the ECD/TO in excess of the ECD/TO's maximum rated capacity.~~

(b) Owners and operators shall equip all ECDs/TOs with a continuous pilot flame or an operational auto-igniter. ECDs/TOs constructed or re-constructed prior to the effective date of this Part shall be equipped with a continuous pilot flame or an auto-igniter no later than one year after the effective date. ECDs/TOs constructed or re-constructed on or after the effective date shall be equipped with a continuous pilot flame or an operational auto-igniter upon startup.

(c) ECDs/TOs with a continuous pilot flame or an auto-igniter shall be equipped with a system to ensure that the ECD/TO is operated with a flame present at all times that gas is being sent the ECD/TO. Combustion shall be maintained for the duration of time that gas is being sent to the ECD/TO.

(d) Owners and operators shall operate ECDs/TOs used to control VOC emissions to comply with the emission standards in this Part with no visible emissions, except for periods not to exceed a total of sixty (60) seconds during any fifteen (15) consecutive minutes. The combustion device shall be designed so that an observer can, by means of visual observation from the outside of the combustion device, or by other means, such as a continuous monitoring device, determine whether it is operating properly.

(2) Monitoring Requirements

(a) Owners and operators of ECDs/TOs with a continuous pilot or an auto igniter shall continuously monitor the presence of a pilot flame using a thermocouple equipped with a continuous recorder and alarm to detect the presence of a flame. Owners and operators may use any other equivalent device that fulfills the same purpose.

(b) Owners and operators, at least quarterly, and upon observing any visible emissions, shall perform a Method 22 observation while the ECD/TO pilot flame is present to certify compliance with the visible emission requirements. The observation shall be a minimum of fifteen minutes.

(c) Each EMITT inspection or monitoring event shall be initially scanned and the required monitoring data shall be electronically captured during the monitoring event in accordance with the monitoring requirements of 20.2.50.12 NMAC.

(3) Recordkeeping Requirements

(a) The owner or operator of an ECD/TO subject to regulation under 20.2.50.15.A NMAC shall keep records in accordance with 20.2.50.12 NMAC for each ECD/TO of:

(i) All instances of alarm activation, including the date and cause of alarm activation, actions taken to bring the ECD/TO into normal operating conditions, the name of the personnel conducting the inspection, and any maintenance activities performed;

(ii) The results of the Method 22 observations; and

(iii) The results of any gas analysis for the gas being combusted, including VOC content and heating value.

(4) Reporting Requirements

(a) Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

E. Requirements for Vapor Recovery Units (VRU)

(1) Emission Standards

(a) Owners and operators shall operate the VRU as a closed vent system that captures and routes all VOC emissions from units back to the process stream or to a sales pipeline and does not vent to the atmosphere.

(b) Owners and operators shall control emissions during startup, shutdown, and maintenance (SSM) or other VRU downtime with a backup control device (flare/ECD/TO) or redundant VRU.

(2) Monitoring Requirements

(a) Owners and operators shall comply with the standards for equipment leaks in **20.2.50.16** NMAC, or, alternatively, shall implement a program that meets the requirements of NSPS Subpart OOOOa (40 CFR 60.5416a).

(b) Each VRU EMITT inspection or monitoring event shall be initially scanned and the required monitoring data shall be electronically captured during the monitoring event requirements of 20.2.50.12 NMAC.

(3) Recordkeeping Requirements

(a) For each VRU inspection or monitoring event, the owner or operator shall record the results of the VRU inspections in accordance with 20.2.50.12 NMAC, including the name of the personnel conducting the inspection, and noting any maintenance or repairs that are required.

(4) Reporting Requirements
Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.16 STANDARDS FOR EQUIPMENT LEAKS

A. Applicability

(1) All new and existing wellheads and ~~,~~tank batteries, gathering and boosting sites, gas processing plants, ~~transmission compressor stations and associated piping~~ are subject to the requirements of 20.2.50.16 NMAC.

B. Emission Standards

(1) Each owner ~~and~~ or operator of oil and gas production and processing equipment located at a site identified in 20.2.50.16.A NMAC shall demonstrate compliance with 20.2.50.16 NMAC by performing the ~~-~~monitoring, recordkeeping, and reporting requirements specified in this Section.

Comment [A41]: Added new sub-numbering B.(1).

Comment [A42]: These emissions standards clearly only apply to production and processing equipment. To ensure there is no ambiguity, Kinder Morgan has revised this rule section for consistency with this intent as no production or processing equipment are located at transmission compressor stations and associated piping.

C. Monitoring Requirements

(1) Owners or operators ~~-~~shall comply with the monitoring requirements in 20.2.50.12 NMAC.

(2) Default Equipment Leak Monitoring Requirements:

(a) Owners or operators shall conduct an audible, visual, and olfactory (AVO) inspection of each thief hatch, closed vent system, pump, compressor, pressure relief device, open-ended valve or line, valve, flange, connector, piping, and any associated equipment to identify defects and leaking components at least weekly as follows:

(i) Visually inspect for cracks, holes or gaps in piping or covers; loose connections; liquid leaks; broken or missing caps; broken, cracked or otherwise damaged seals or gaskets; broken or missing hatches; or broken or open access covers or other closure devices;

(ii) Listen for pressure leaks or liquid leaks.

(iii) Smell for unusual or strong odors.

(iv) Any positive audible, visual, or odorous indication shall be considered a leak. All AVO leaks shall be tagged with a visible tag and reported to management or designee within three calendar days.

(b) Owners or operators shall conduct an inspection using EPA Reference Method 21 (40 CFR 60, Appendix B) (RM 21) or optical gas imaging (OGI) with infrared cameras of each thief hatch, closed vent system, pump, compressor, pressure relief device, open-ended valve or line, valve, flange, connector, piping, and any associated equipment to identify leaking components at a frequency determined according to the following schedule:

(i) For well production and tank battery facilities:

(A) Annually at facilities with a potential to emit less than 2 tpy VOC.

(B) Semi-annually at facilities with a potential to emit equal to or greater than 2 tpy and less than 5 tpy VOC.
(C) Quarterly at facilities with a potential to emit equal to or greater than 5 tpy VOC.

~~(ii) For gathering and boosting sites, gas processing plants, and transmission compressor stations:~~
~~(A) Quarterly at facilities with a potential to emit less than 25 tpy VOC.~~
~~(B)~~(D) ~~Monthly at facilities with a potential to emit equal to or greater than 25 tpy VOC.~~

(c) The inspections required under 20.2.50.16.C(2)(b) NMAC shall be conducted using RM 21 or OGI with infrared cameras.

(i) For leaks determined using RM 21:
(A) The instrument shall be calibrated before each day of its use by the procedures specified in RM 21.
(B) The instrument shall be calibrated with zero air (less than 10 ppm of hydrocarbon in air); and a mixture of methane or n-hexane and air at a concentration of about, but less than, 10,000 ppm methane or n-hexane.
(C) A leak is detected if an instrument reading of 500 ppm or greater of hydrocarbon is measured that is not associated with normal equipment operation, such as pneumatic device actuation and crank case ventilation.

(ii) For leaks determined using OGI:
(A) The instrument must comply with the specifications, the daily instrument checks, and the leak survey requirements at 40 CFR 60.18(i)(1) through (3).
(B) A leak is detected if any emissions are imaged by the OGI instrument that are not associated with normal equipment operation, such as pneumatic device actuation and crank case ventilation.

(d) If a component is unsafe, difficult, or inaccessible to monitor, the owner or operator is not required to inspect the component until it becomes feasible to do so.

(i) Difficult to monitor components are those that cannot be monitored without elevating the monitoring personnel more than two (2) meters above a supported surface or are unable to be reached via a wheeled scissor-lift or hydraulic type scaffold that allows access to components up to 7.6 meters (25 feet) above the ground.
(ii) Unsafe to monitor components, as determined by the owner or operator, are those that cannot be monitored without exposing monitoring personnel to an immediate danger as a consequence of completing the monitoring.
(iii) Inaccessible to monitor components are those that are buried, insulated, or obstructed by equipment or piping that prevents access to the components by monitoring personnel.

(3) Alternative Equipment Leak Monitoring Plans

(a) As an alternative and equivalent means of compliance with 20.2.50.16 NMAC, owners or operators may comply with the equipment leak

Comment [A43]: This definition should be revised to reflect that an "unsafe to monitor component" is one ***that the owner or operator determines*** is unsafe-to-monitor because monitoring personnel would be exposed to an immediate danger as a consequence of conducting the monitoring requirements through an individual alternative monitoring plan approved by the Department, subject to the following requirements:

(i) Upon the Department's approval of an alternative monitoring plan, the owner or operator shall comply with the terms and conditions of the approved alternative monitoring plan.

(ii) A responsible official shall certify compliance with the approved alternative monitoring plan on behalf of the owner or operator on an annual basis.

(iii) The Department may terminate an approved alternative monitoring plan if the Department finds that the owner or operator failed to comply with any provision of the plan and failed to correct and disclose the violation(s) to the Department within 15 calendar days of identifying the violation.

(iv) Upon the Department's denial or termination of an approved alternative monitoring plan, the owner or operator shall comply with the default monitoring requirements under 20.2.50.16.C(2) NMAC within 30 days.

(b) As an equivalent means of compliance with 20.2.50.16 NMAC, owners or operators may comply with equipment leak requirements through one of the pre-approved monitoring plans maintained by the Department, subject to the following requirements:

(i) The owner or operator shall notify the Department of the pre-approved monitoring plan that the owner or operator will follow and shall comply with the terms and conditions of the pre-approved monitoring plan.

(ii) A responsible official shall certify compliance with the pre-approved monitoring plan on behalf of the owner or operator on an annual basis.

(iii) The Department may terminate the use of a pre-approved monitoring plan by the owner or operator if the Department finds that the owner or operator failed to comply with any provision of the plan and failed to correct and disclose the violation(s) to the Department within 15 calendar days of identifying the violation.

(iv) Upon the Department terminating the use of an approved monitoring plan by an owner or operator, the owner or operator shall comply with the default monitoring requirements under 20.2.50.16.C(2) NMAC within 30 days.

D. Repair Requirements

(1) For any leaks detected in 20.2.50.16(C) NMAC:

(a) The owner or operator shall place a visible tag on the leaking component until the component has been repaired;

(b) All leaks detected using optical gas imaging shall be repaired within 15~~7~~ days of discovery, provided, however, that owners or operators shall initiate a first attempt to repair leaks detected using optical gas imaging within 5 days of discovery; all other leaks shall be repaired within 15 days of discovery;

(c) The equipment must be re-monitored no later than 15 days after discovery of the leak to demonstrate that it has been repaired; and

(d) If the leak cannot be repaired within 15~~7~~ days~~ for leaks detected using optical gas imaging and within 14 days for all other leaks without a process unit~~

Comment [A44]: Kinder Morgan requests that NMED change the period in which to repair leaks detected using optical gas imaging from within 7 days of discovery to within 15 days of discovery. A 5-day time period could be set for a "first attempt" repair for OGI-observed leaks, which is common protocol.

~~shutdown~~, it may be designated "Repair delayed," and must be repaired before the end of the next process unit shutdown.

E. Recordkeeping Requirements
   (1) Owners or operators shall keep records of all monitoring under 20.2.50.16.C NMAC and provide such records to the Department upon request.
   (2) Owners or operators subject to 20.2.50.16.C NMAC shall keep records of the following for all AVO, RM21, and OGI inspections conducted as required under 20.2.50.16.C NMAC:
      (a) The facility location and unique inventory control number or name;
      (b) The date of inspection
      (c) The monitoring method (AVO, RM 21, or OGI);
      (d) The name of the operator(s) performing the inspection;
      (e) A list of the leaks requiring repair or a statement that no leaks were found; and
      (f) Whether a visible flag was placed on the leak or not;
   (3) Owners or operators shall keep the following records for any leak detected:
      (a) Date the leak is detected;
      (b) Dates of attempts to repair;
      (c) For leaks with a designation of "repair delayed" keep the following:
         (i) The reason for delay if the leak is not repaired within 30 days of leak discovery;
         (ii) The signature of the authorized representative whose decision it was that the repair could not be implemented without a process shutdown;
      (d) The date of successful leak repair;
      (e) The date the leak was monitored after the repair and the results of the monitoring; and
      (f) A list of components that are designated as unsafe, difficult, or inaccessible to monitor, an explanation stating why the component is so designated, and the schedule for monitoring such component(s).
   (4) For leaks determined using optical gas imaging with infrared cameras, owners or operators shall keep the records of the specifications, the daily instrument checks and the leak survey requirements specified at 40 CFR §60.18(i)(1) – (3).
   ~~(5) Owners or operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

F. Reporting Requirements
   (1) Owners and operators shall report the certifications required under 20.2.50.16.C(3)(a)(ii) and (b)(ii) NMAC to the Department annually.
   (2) Owners or operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.17 STANDARDS FOR NATURAL GAS WELL LIQUIDS UNLOADING

A. Applicability
   (1) All manual liquids unloading, including those associated with down-hole well maintenance events, performed at natural gas wells are subject to the requirements of 20.2.50.17 NMAC.
   (2) Owners and operators shall comply with these requirements for any manual

Comment [A45]: This section should refer to "15" days. Additionally, we've made revisions to conform to our edits above regarding the time in which OGI-observed leaks must be detected.

liquids unloading performed after the effective date of this Part.

~~(2)~~(3) 20.2.50.17 NMAC does not apply to gas storage wells regulated by the Federal Energy Regulatory Commission or the Pipeline Hazardous Materials Safety Administration.

B. Emission Standards

(1) Owners and operators of natural gas wells shall use best management practices during the life of the well to avoid the need for manual liquids unloading.

(2) Owners and operators of natural gas wells shall use the following best management practices during manual liquids unloading to minimize emissions, consistent with well site conditions and good engineering practices:

(a) Reduce wellhead pressure prior to blowdown;

(b) Monitor manual liquids unloading in close proximity to the well or via remote telemetry; and

(c) Close all well head vents to the atmosphere and return the well to normal production operation as soon as practicable.

~~(3) Owners and operators of a natural gas well shall install an Equipment Monitoring and Information Tracking Tag (EMITT) on each natural gas well in accordance with 20.2.50.12 NMAC.~~

C. Monitoring Requirements

(1) Owners and operators subject to 20.2.50.17 NMAC shall monitor the following parameters during manual liquids unloading:

(a) Wellhead pressure;

(b) Flow rate of the vented natural gas (to the extent feasible); and

(c) Duration of venting to the storage tank/atmosphere.

(2) Owners and operators shall calculate the volume and mass of VOC vented during each manual liquids unloading event.

~~(3) Each manual liquids unloading event shall include the scanning of the EMITT and monitoring data entry in accordance with the requirements of 20.2.50.12 NMAC.~~

~~(4) Owners and operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) Owners and operators subject to 20.2.50.17 NMAC shall keep the following records for each manual liquids unloading:

(a) The identification number and location of the well;

(b) The date(s) the manual liquids unloading was performed;

(c) Wellhead pressure;

(d) Flow rate of the vented natural gas (to the extent feasible. If not feasible, the owner or operator shall use the maximum potential flow rate in the emission calculation);

(e) Duration of venting to the storage tank/atmosphere;

(f) A description of the management practices used to minimize release of VOC prior to and during the manual liquids unloading; and

(g) A calculation of the VOC emissions vented during the manual liquids unloading based on the duration, volume, and mass of VOC.

~~(2) Owners and operators shall comply with the recordkeeping requirements in~~

~~20.2.50.12 NMAC.~~

E. Reporting Requirements

Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.18 STANDARDS FOR GLYCOL DEHYDRATORS

A. Applicability

(1) All new and existing glycol dehydrators with a potential to emit equal to or greater than 2 tpy of VOC and located at wellhead sites, tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.18 NMAC.

B. Emission Standards

(1) Owners and operators of an existing glycol dehydrator constructed on or before the effective date of this Part with a potential to emit equal to or greater than 2 tpy of VOC shall have a minimum combined capture and control efficiency of 95 percent of VOC emissions from the still vent and flash tank, no later than one year after the effective date. If a combustion control device is used, the combustion control device shall have a minimum design combustion efficiency of 98 percent.

(2) Owners and operators of a new glycol dehydrator constructed after the effective date of this Part with a potential to emit equal to or greater than 2 tpy of VOC shall have a combined capture and control efficiency of 95 percent of VOC emissions from the still vent and flash tank upon startup. If a combustion control device is used, the combustion control device shall have a minimum design combustion efficiency of 98 percent.

(3) Owners and operators of a new or existing glycol dehydrator subject to control requirements under 20.2.50.18 NMAC shall comply with the following equipment requirements:

(a) The still vent and flash tank emissions shall be routed at all times to the reboiler firebox, condenser, combustion control device, fuel cell, to a process point that either recycles or recompresses the emissions or uses the emissions as fuel, or to a vapor recovery unit (VRU) that reinjects the VRU VOC emissions back into the process stream or natural gas gathering pipeline.

(b) If a VRU is used, it shall consist of a closed loop system of seals, ducts, and a compressor that will reinject the natural gas into the process stream or the natural gas gathering pipeline. The VRU shall be operational at least 95 percent of the time the facility is in operation, resulting in a minimum combined capture and control efficiency of 95 percent. The VRU shall be installed, operated, and maintained according to the manufacturer's specifications.

(c) The still vent and flash tank emissions shall not be vented to the atmosphere.

(d) Owners and operators of a glycol dehydrator shall install an Equipment Monitoring and Information Tracking Tag (EMITT) on each glycol dehydrator in accordance with 20.2.50.12 NMAC.

(4) Any new or existing glycol dehydrator subject to control requirements under

20.2.50.18 NMAC will become exempt from these requirements when its uncontrolled actual annual VOC emissions decreases to an amount less than 2 tpy.

(5) Owners and operators complying with the control requirements in 20.2.50.18.B(1) NMAC or 20.2.50.18.B(2) NMAC through use of a control device shall comply with the control device operational requirements in 20.2.50.15 NMAC.

C. Monitoring Requirements

(1) The owner or operator of a glycol dehydrator subject to control requirements in 20.2.50.18 NMAC shall conduct an annual extended gas analysis on the dehydrator inlet gas and calculate the uncontrolled VOC emissions (tpy) and controlled VOC emissions (tpy).

(2) The owner or operator of any glycol dehydrator subject to control requirements shall inspect the glycol dehydrator, including the reboiler and regenerator, and the control equipment ~~semi-~~annually to ensure it is operating as initially designed and in accordance with the manufacturer's recommended procedures.

(3) Owners and operators complying with the requirements in 20.2.50.18.B(1) NMAC or 20.2.50.18.B(2) NMAC through use of a control device shall comply with the monitoring requirements in 20.2.50.15 NMAC.

~~(4) Owners and operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

~~(1)~~ Owners and operators subject to control requirements in 20.2.50.18 NMAC shall maintain records of the following for each glycol dehydrator~~, in accordance with~~ ~~(2)~~(1) ~~20.2.50.12 NMAC~~:

(a) The dehydrator's location and unique inventory control number or name;

(b) Glycol circulation rate, monthly natural gas throughput, and the date of the most recent throughput measurement;

(c) The data and methodology used to estimate the potential to emit of VOC (the method must be a Department approved calculation methodology);

(d) The controlled and uncontrolled VOC emissions (tpy);

(e) The location, type, make, model and unique identification number of any control equipment;

(f) The date and the results of all equipment inspections, including any maintenance or repairs needed to bring the glycol dehydrator into compliance; and

(g) Copies of the glycol dehydrator manufacturer's or owner's/operator's operation and maintenance recommendations.

~~(3)~~(2) Owners and operators complying with the requirements in 20.2.50.18.B(1) NMAC or 20.2.50.18.B(2) NMAC through use of a control device shall comply with the recordkeeping requirements in 20.2.50.15 NMAC.

~~(4) Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements.

(1) Owners and operators complying with the requirements in 20.2.50.18.B(1) NMAC or 20.2.50.18.B(2) NMAC through use of a control device shall comply with the reporting requirements in 20.2.50.15 NMAC.

Comment [A46]: Annually is sufficient to validate correct operation. By way of example, this provision creates inconsistency with the referenced monthly inspections at 20.2.50.12 & 15. Those monthly inspection requirements should not apply here.

Comment [A47]: Again, manufacturer recommendations may not be available, or may be insufficient for site-specific application.

(2) Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.19 STANDARDS FOR HEATERS

A. Applicability
   (1) All new and existing natural gas-fired heater units with a rated heat input equal to or greater than 10 MMBtu/hr including, but not limited to, heater treaters, heated flash separator units, evaporator units, fractionation column heaters, and glycol dehydrator reboilers in use at wellhead sites, tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.19 NMAC.

B. Emission Standards
   (1) In order to ensure compliance with good combustion engineering practices, the owner or operator of a natural gas-fired heater units shall ensure compliance with the emission limits in Table 1 of 20.2.50.19 NMAC.

Table 1 - Emission Standards for NO_X and CO

Date of Construction:	NO_X (ppmvd @ 3% O_2)	CO (ppmvd @ 3% O_2)
Constructed or reconstructed before the effective date of 20.2.50 NMAC	30	300
Constructed or reconstructed on or after the effective date of 20.2.50 NMAC	30	130

(2) Natural gas-fired heater units constructed or reconstructed prior to the effective date of this Part shall come into compliance with the requirements of 20.2.50.19 NMAC beginning no later than one year after the effective date.
(3) Natural gas-fired heater units that are constructed or reconstructed on or after the effective date of this Part shall be in compliance with the requirements of this section upon startup.
(4) Owners and operators of a natural gas-fired heater unit shall install an Equipment Monitoring and Information Tracking Tag (EMITT) on each combustion unit in accordance with 20.2.50.12 NMAC.

C. Monitoring Requirements
(1) Owners and operators of natural gas-fired heater units with a rated heat input of greater than or equal to 10 MMBtu/hr shall:
(a) Conduct the monitoring for NOx and CO specified in paragraph C(2) of this section within 180 days of the compliance date specified in the relevant paragraph B(2) or B(3) of this section and every 2 years thereafter.
(b) inspect, maintain, and repair each combustion unit consistent with the manufacturers specifications at least once every 2 years following the compliance date specified in the relevant paragraph B(2) or B(3) of this section. The inspection, maintenance, and repair shall include, at a minimum:
(i) Inspecting the burner and cleaning or replacing any components of the burner as necessary;
(ii) Inspecting the flame pattern and adjusting the burner as necessary to optimize the flame pattern consistent with the manufacturer's specifications or good combustion engineering practices;
(iii) Inspecting the system air-to-fuel ratio controller and ensuring it is calibrated and functioning properly;
(iv) Optimizing total emissions of CO consistent with the NO_X requirement and the manufacturer's specifications or good combustion engineering practices; and
(v) Measuring the concentrations in the effluent stream of CO in ppmvd and O_2 in volume percent before and after adjustments are made in accordance with paragraph C(2)(a) of this section.
(2) Owners and operators of combustion units shall comply with the following combustion unit periodic monitoring requirements:
(a) Conduct three test runs of at least 20-minutes duration within 10% of 100% peak (or the highest achievable) load;
(b) Determine NO_X and CO emissions and O_2 concentrations in the exhaust with either an electro-chemical cell portable gas analyzer used and maintained in accordance with the manufacturer's specifications and following the procedures specified in the current version of ASTM D6522;
(c) If the measured NO_X or CO emissions concentrations are exceeding the emissions limits of Table 1 of this section, the owner or operator shall repeat the inspection and tune-up in paragraph C(1)(b) of this section within 180 days of the periodic monitoring; and

(d) If at any time the owner or operator operates the combustion unit in excess of the highest achievable load plus 10%, the owner or operator shall perform the monitoring specified in paragraph C(2)(a) within 180 days from the anomalous operation.

(3) When conducting periodic monitoring on a combustion unit, the owner or operator shall follow the procedures in paragraph C(2) of this section. If the owner or operator decides to deviate from those procedures, they must submit a request to use an alternative procedure, in writing, at least 60 days prior to performing the periodic monitoring. In the alternative procedure request, the owner or operator must demonstrate the alternative procedure's equivalence to the standard procedure to the satisfaction of the Department.

(4) The owner or operator of any combustion unit subject to periodic monitoring, inspections, and/or tune-up shall monitor, inspect, maintain, and repair as required under 20.2.50.19.C NMAC. Each monitoring, inspection, maintenance or repair event shall include the scanning of the EMITT and the simultaneous monitoring data entry in accordance with the requirements of 20.2.50.12 NMAC.

D. Recordkeeping Requirements

(1) For each combustion unit with a rated heat input of greater than or equal to 10 MMBtu/h, the owner or operator shall maintain the following records ~~in accordance with 20.2.50.12 NMAC~~:

(a) The location of the combustion unit;

(b) Either the summary for each complete test report described in paragraph C(2) of this section, or the results of each periodic monitoring described in paragraph C(3) this section;

(c) The records of the inspection/maintenance/repair described in paragraph C(1)(c) of this section, which shall include at a minimum:

(i) The date the inspection/maintenance/repair was conducted;

(ii) The concentrations in the effluent stream of CO in ppmv and O_2 in volume percent as determined in paragraph C(2)(a) of this section; and

(iii) A description of any corrective actions taken as part of the inspection/maintenance/repair.

E. Reporting Requirements

Owners or operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.20 STANDARDS FOR HYDROCARBON LIQUID TRANSFERS

A. Applicability

(1) All new and existing hydrocarbon liquid transfer operations with uncontrolled actual annual emissions of VOCs greater than or equal to 2 tpy and located at wellheads, tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.20 NMAC, beginning on the effective date of this Part.

B. Emission Standards

20.2.50.20 Owners and operators of all existing and new hydrocarbon liquid transfer operations subject to NMAC shall use vapor balance, vapor recovery, or control VOC emissions by 98% or greater using vapor combustion when transferring hydrocarbon liquids from storage tanks to transfer vessels, or when transferring hydrocarbon liquids from transfer vessels to storage tanks.

(1) Owners and operators using vapor balance during hydrocarbon liquid transfer operations shall:

(i) Transfer the vapors displaced from the vessel being loaded back to the vessel being emptied via pipes and/or hoses connected prior to the start of transfer operations;

(ii) Ensure that the transfer does not begin until the vapor collection and return system is connected;

(iii) Maintain connector pipes, hoses, couplers, valves, and pressure relief devices in a condition that prevents leaks;

(iv) Check all hydrocarbon liquid and vapor line connections for proper connection prior to commencing transfer operations; and

(v) Operate all transfer equipment at a pressure that is less than the pressure relief valve setting of the receiving transport vehicle or storage tank.

(2) Bottom loading or submerged filling shall be used for all hydrocarbon liquids transfers.

(3) Connector pipes and couplers shall be maintained in a condition that prevents leaks.

(4) All connections of hoses or piping used during hydrocarbon liquid transfer operations shall be supported on a drip tray that collects any leaks, and any material collected shall be returned to the process or disposed of in a manner compliant with the state law.

(5) Any hydrocarbon liquid leaks that occur shall be cleaned and disposed of in a manner that prevents emissions to the atmosphere, and any material collected shall be returned to the process or disposed of in a manner compliant with the state law.

(6) All owners and operators complying with the control requirements in 20.2.50.20.B(1) NMAC through use of a control device shall comply with the control device operational requirements in 20.2.50.15 NMAC.

C. Monitoring Requirements

(1) All transfer equipment must be visually inspected during transfer operations to ensure that hydrocarbon liquid transfer lines, hoses, couplings, valves, and pipes are not dripping or leaking. All leaking components shall be repaired to prevent dripping or leaking before the next transfer operation.

(2) The owner or operator of any hydrocarbon liquid transfer operations controlled by air pollution control equipment must follow manufacturer's recommended operation and maintenance procedures.

(3) All tanker trucks or tanker rail cars used in hydrocarbon liquid transfer service shall be tested annually for vapor tightness in accordance with the following test methods and vapor tightness standards:

(i) Method 27, appendix A, 40 CFR Part 60. Conduct the test using a time period (t) for the pressure and vacuum tests of 5 minutes. The

initial pressure (Pi) for the pressure test shall be 460 mm H_2O (18 in. H_2O), gauge. The initial vacuum (Vi) for the vacuum test shall be 150 mm H_2O (6 in. H_2O), gauge. The maximum allowable pressure and vacuum
changes (Δ p, Δ v) are as shown in Table 1 of this section.

Table 1 - Allowable Cargo Tank Test Pressure or Vacuum Change

Cargo tank or compartment capacity, liters (gal)	Allowable vacuum change (Δv) in 5 minutes, mm H_2O (in. H_2O)	Allowable pressure change (Δp) in 5 minutes, mm H_2O (in. H_2O)
less than 3,785 (less than 1,000)	64 (2.5)	102 (4.0)
3,785 to less than 5,678 (1,000 to less than 1,500)	51 (2.0)	89 (3.5)
5,678 less than 9,464 (1,500 to less than 2,500)	38 (1.5)	76 (3.0)
9,464 or more (2,500 or more)	25 (1.0)	64 (2.5)

(ii) Pressure test of the cargo tank's internal vapor valve as follows:

(A) After completing the tests under 20.2.50.20.C(3)(i) NMAC, use the procedures in Method 27 to repressurize the tank to 460 mm H_2O (18 in. H_2O), gauge. Close the tank's internal vapor valve(s), thereby isolating the vapor return line and manifold from the tank.

(B) Relieve the pressure in the vapor return line to atmospheric pressure, then reseal the line. After 5 minutes, record the gauge pressure in the vapor return line and manifold. The maximum allowable 5-minute pressure increase is 130 mm H_2O (5 in. H_2O).

(4) Owners or operators complying with the requirements in 20.2.50.20.B(1) NMAC through use of a control device shall comply with the monitoring requirements in 20.2.50.15 NMAC.

~~(5) Owners or operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) For each hydrocarbon liquid transfer operation, the owner or operator shall maintain records of:

(a) The tank's location and the tank's unique inventory control number or name and,

(b) The location, type, make, and model of any control equipment.

(2) Each owner or operator shall maintain records of the inspections required in 20.2.50.20.C NMAC. These records shall include the following:

(i) the time and date of the inspection;

(ii) the person conducting the inspection;

(iii) a notation that each of the checks required under 20.2.50.20.C NMAC were completed;

(iv) a description of any problems observed during the inspection; and

(v) a description and date of any repairs and corrective actions taken.

(3) Owners and operators shall create and maintain a calendar year record for each site summarizing, calculating, recording, and totaling the hydrocarbon liquid loading operation liquids and associated VOC emissions. Each calendar year, the owners and operators shall create a company-wide record summarizing the hydrocarbon liquid transfer total calculated emissions for the company.

(4) Owners and operators complying with the requirements in 20.2.50.20.B(1) NMAC through use of a control device shall comply with the recordkeeping requirements in 20.2.50.15 NMAC.

~~(5) Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements

(1) Owners and operators complying with the requirements in 20.2.50.20.B(1) NMAC through use of a control device shall comply with the reporting requirements in 20.2.50.15 NMAC.

(2) Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.21 STANDARDS FOR PIG LAUNCHING AND RECEIVING

A. Applicability

(1) All new and existing pipeline pig launching and receiving operations with uncontrolled actual annual emissions of greater than 1.0 tpy of VOCs and located within the property boundary at wellhead sites, tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.21 NMAC.

B. Emission Standards

(1) The owner or operator of new and existing pipeline pig launching and receiving operations with a uncontrolled actual annual emissions of ~~potential to emit equal to or~~ greater than 1.0 tpy of VOC shall ~~capture and~~ reduce VOC emissions by at least 98%, beginning on the effective date of this Part.

(2) The owner or operator conducting the pig launching and receiving operations shall:

(a) Employ best management practices to minimize the liquids present in the pig receiver chamber and to prevent emissions from the pig receiver chamber to the atmosphere after receiving the pig in the receiving chamber and prior to opening the receiving chamber to the atmosphere;

~~(b) Employ methods to prevent emissions including, but not limited to, installing liquids ramps, installing liquid drains, routing high-pressure chambers to a low-pressure line or vessel, using ball valve type chambers, or using multiple pig chambers;~~

~~(c)Recover and dispose of all receiver liquids in a manner that prevents emissions to the atmosphere; and~~

~~(d) Ensure that any material collected is returned to the process or disposed of in a manner compliant with the state law.~~

(3) ~~Owners and operators of a pig launching and receiving operation shall install an~~

Comment [A48]: Transmission compressor stations have negligible amounts of gas loss via pigging operations. Transmission lines require pigging far less frequently than gathering lines, and may be pigged only once per year or once every 5 years. Furthermore, pigging volumes can be isolated to only the volume of the pig launcher/receiver. Include the 1 TPY VOC exemption from B(1) in the applicability section A. The physical modifications required in B(2) achieve little economic benefit for insignificant source types.

Comment [A49]: Revised for consistency with other emissions standards herein.

Comment [A50]: If 98% control is going to apply, then physical modifications to reduce liquids should not be required. Kinder Morgan has offered revisions to this section to allow 98% control in lieu of further physical design modifications.

~~Equipment Monitoring and Information Tracking Tag (EMITT) on each pig launcher and each pig receiver in accordance with 20.2.50.12 NMAC.~~

(4) Any existing pipeline pig launching and receiving operation subject to control requirements may become exempt from those requirements when its actual annual emissions of VOC decreases to an amount less than ~~0.5~~1.0 tpy of VOC.

~~(5) Owners and operators complying with the control requirements in 20.2.50.21.B(2) NMAC through use of a control device shall comply with the control device operational requirements in 20.2.50.15 NMAC.~~

Comment [A51]: Exemption should be consistent with B(1) at 1 TPY.

Comment [A52]: This provision is unnecessary and suggests an intent that 20.2.50.15 would apply to some control devices but not all used to control emissions for purposes of control requirements. Rather, 20.2.50.15 by definition applies to all control devices used to achieve emissions standards.

C. Monitoring Requirements

(1) The owner or operator of any pig launching and receiving equipment shall monitor the type and volume of liquids cleared.

(2) The owner or operator of any pig launching and receiving equipment subject to control requirements shall inspect the equipment for leaks using RM 21 or OGI with infrared cameras immediately prior to the commencement and immediately after the conclusion of each pig launching or receiving operation, and according to the requirements in 20.2.50.16 NMAC.

(3) Owners and operators complying with the requirements in 20.2.50.21.B(1) NMAC through use of a control device shall comply with the monitoring requirements in 20.2.50.15 NMAC.

~~(4) Owners and operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) Owners and operators shall maintain the following records in accordance with 20.2.50.12.C NMAC for each pig launching and receiving operation or event:

(a) Records of each pigging operation including the date and time of the pigging operation, and the type and volume of liquids cleared;

(b) The data and methodology used to estimate the actual emissions to the atmosphere;

(c) The data and methodology used to estimate the potential to emit; and

(d) The type of control(s), location, make, model and, if applicable, the unique identification number of the control equipment.

(2) Owners and operators complying with the requirements in 20.2.50.21.B(1) NMAC through use of a control device shall comply with the recordkeeping requirements in 20.2.50.15 NMAC.

~~(3) Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements

(1) Owners and operators complying with the requirements in 20.2.50.21.B(1) NMAC through use of a control device shall comply with the reporting requirements in 20.2.50.15 NMAC.

(2) Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.22 STANDARDS FOR PNEUMATIC CONTROLLERS AND PUMPS

A. Applicability

(1) ~~All~~ Each new and existing natural gas-driven pneumatic controllers operating at a natural gas bleed rate greater than 6 standard cubic feet per hour and pumps located at wellhead sites, tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to the requirements of 20.2.50.22 NMAC.

~~(1)~~(2) The requirements of this section 20.2.50.22 are not required if the owner or operator determines that the use of a pneumatic controller with a bleed rate greater than the applicable standard is required based on functional needs, including but not limited to response time, safety and positive actuation.

B. Emission Standards

(1) Natural gas-driven pneumatic controllers and natural gas-driven pneumatic pumps constructed on or after the effective date of this Part shall comply with the requirements of 20.2.50.22 NMAC upon startup.

(2) Natural gas-driven pneumatic controllers and natural gas-driven pneumatic pumps constructed before the effective date of this Part shall comply with the requirements of 20.2.50.22 NMAC within one year of the effective date of this Part.

(3) Standards for natural gas-driven pneumatic controllers.

(a) Owners and operators of each pneumatic controller located at a natural gas processing plant shall ensure the pneumatic controller has a VOC emission rate of zero.

(b) Owners and operators of each pneumatic controller located at a wellhead site, tank battery, gathering and boosting site, or transmission compressor station ~~with access to electrical power~~ shall ensure the pneumatic controller has a natural gas bleed rate less than ~~than~~ 6 standard cubic feet per hour~~VOC emission rate of zero~~.

~~(c) Owners and operators of each pneumatic controller located at a wellhead site, tank battery, gathering and boosting site, or transmission compressor station without access to electrical power shall ensure the pneumatic controller has a bleed rate of less than or equal to 6 standard cubic feet per hour.~~

~~(d)~~(c) Pneumatic controllers with a bleed rate greater than 6 standard cubic feet per hour are permitted where the owner or operator has demonstrated that a higher bleed rate is required based on functional needs, including but not limited to response time, safety, and positive actuation.

(4) Standards for natural gas-driven pneumatic pumps.

(a) Owners and operators of each pneumatic pump located at a natural gas processing plant shall ensure the pneumatic pump has a VOC emission rate of zero.

(b) Owners and operators of each pneumatic pump located at a wellhead site, tank battery, gathering and boosting site, or transmission compressor station with access to electrical power shall ensure the pump has a VOC emission rate of zero.

Comment [A53]: Application of this rule to both existing and new units should be justified with regard to economic return. Costs associated with replacement of all controllers to emission devices will be excessive relative to the amount of VOC reduced.

(c) Owners and operators of each pneumatic pump located at a wellhead site, tank battery, gathering and boosting site, or transmission compressor station without access to electrical power shall reduce VOC emissions from the pneumatic pump by 95% if it is technically feasible to route emissions to a control device, fuel cell, or process.

(d) If there is a control device available onsite, but it is unable to achieve a 95% emission reduction, and it is not technically feasible to route the pneumatic pump emissions to a fuel cell or process this section, the owner or operator shall route the pneumatic pump emissions to this control device.

C. Monitoring Requirements

(1) Owners and operators of pneumatic controllers or pumps with a natural gas bleed rate of ~~equal to zero~~ less than 6 standard cubic feet per hour are not subject to the requirements of this section.

(2) Owners and operators of pneumatic controllers with a natural gas bleed rate greater than ~~zero~~ 6 standard cubic feet per hour shall on an annual ~~monthly~~ basis ~~scan each controller and, considering the EMITT specified design continuous or intermittent bleed rate,~~ conduct an audible, visual, and olfactory (AVO) inspection and shall also inspect each pneumatic controller, perform necessary maintenance (such as cleaning, tuning, and repairing leaking gaskets, tubing fittings, and seals; tuning to operate over a broader range of proportional band; eliminating unnecessary valve positioners), and maintain the pneumatic controller according to manufacturer specifications to ensure that the controller's natural gas emissions are minimized.

~~(3) Each EMITT shall be linked to a database allowing the state inspectors to, at a minimum, identify:~~

~~(a) unique pneumatic controller and pneumatic pump identification number;~~

~~(b) type of controller (continuous or intermittent);~~

~~(c) if continuous, design continuous bleed rate in standard cubic feet per hour;~~

~~(d) if intermittent, bleed volume per intermittent bleed in standard cubic feet; and~~

~~(e) design annual bleed in standard cubic feet per year.~~

~~(4)~~(3) Owners and operators of natural gas-driven a pneumatic pump with a natural gas bleed rate greater than zero shall on a monthly basis scan each pump or actuator and, considering the EMITT specified design pump rate or actuation volume, conduct an audible, visual, and olfactory (AVO) inspection and shall also inspect the pneumatic pump and perform necessary maintenance, and maintain the pneumatic pump according to manufacturer specifications to ensure that the pump's natural gas emissions are minimized.

~~(5) Owners and operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) Owners and operators of pneumatic controllers, pumps with a natural gas bleed rate equal to zero are not subject to the requirements of this section.

(2) Owners and operators shall maintain an electronic pneumatic controller inspection

Comment [A54]: Monthly monitoring of each device is excessive. NMED should provide a technical basis for why such a monitoring frequency is required. Units should not require monthly "adjustments" or "cleaning". Design specifications are sufficient to document emission rate.

log for each pneumatic controller with a natural gas bleed rate greater than zero at each facility, including for each inspection:

(a) Unique pneumatic controller ID number;
~~(b) EMITT scanned inspection dates;~~
~~(c)~~(b) Name of the inspector;
~~(d)~~(c) AVO inspection results;
~~(e)~~(d) Any AVO level discrepancy in continuous or intermittent bleed rate;
~~(f)~~(e) Maintenance dates; and
~~(g)~~(f) Maintenance activities.

~~(3) Owners and operators who determine that the use of a natural gas-driven pneumatic controller with a bleed rate greater than 6 standard cubic feet per hour is required shall maintain a record in the EMITT database of each such pneumatic controller documenting why a bleed rate greater than 6 standard cubic feet per hour is required per the requirements in 20.2.50.22.B NMAC.~~

~~(4) Owners and operators shall maintain records in the EMITT database of natural gas-driven pneumatic pumps with an emission rate greater than zero and their associated pump numbers at each facility, including:~~

~~(a) For natural gas-driven pneumatic pumps in operation less than 90 days per calendar year, records of the days of operation each calendar year.~~

~~(b) Records of control devices designed to achieve less than 95% emission reduction, including an evaluation or manufacturer specifications indicating the percentage reduction the control device is designed to achieve.~~

~~(c) Records of the engineering assessment and certification by a qualified professional engineer that routing pneumatic pump emissions to a control device, fuel cell, or process is technically infeasible.~~

~~(5) Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements.

Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.23 STANDARDS FOR STORAGE TANKS

A. Applicability

(1) All new and existing hydrocarbon storage tanks with an uncontrolled potential to emit equal to or greater than 2 tpy of VOC and located at wellhead sites, tank batteries, gathering and boosting sites, natural gas processing plants, and transmission compressor stations are subject to regulation under 20.2.50.23 NMAC.

B. Emission Standards

(1) All existing storage tanks with a potential to emit equal to or greater than 2 tpy and less than 10 tpy of VOC shall have a combined capture and control of VOC emissions by at least 95 percent no later than one year after the effective date of

this Part.

(2) All existing storage tanks with a potential to emit equal to or greater than 10 tpy of VOC shall have a combined capture and control of VOC emissions by at least 98 percent, no later than one year after the effective date of this Part.

(3) All new storage tanks constructed after the effective date of this part with a potential to emit equal to or greater than 2 tpy and less than 10 tpy of VOC shall have a combined capture and control of VOC emissions by at least 95 percent upon startup.

(4) All new storage tanks constructed after the effective date of this Part with a potential to emit equal to or greater than 10 tpy of VOC shall have a combined capture and control and control of VOC emissions by at least 98 percent upon startup.

(5) Any new or existing storage tank subject to control requirements under 20.2.50.23 NMAC becomes exempt from those requirements when its uncontrolled actual annual VOC emissions decreases to less than 2 tpy.

(6) If air pollution control equipment is not installed by the applicable date specified in 20.2.50.23.B(1) through 20.2.50.23.B(4) NMAC, compliance with 20.2.50.23.B(1) through 20.2.50.23.B(4) NMAC may be demonstrated by shutting in all wells producing into that storage tank by that applicable date and so long as production does not resume from any such well until the air pollution control equipment is installed and operational.

(7) Owners and operators of an existing or new tank with a thief hatch shall install a control device on the thief hatch which allows the thief hatch to open sufficiently to relieve overpressure in the tank and to automatically close once the tank overpressure is relieved. The thief hatch shall be equipped with a manual lock-open safety device to ensure positive hatch opening during times of human ingress. The lock-open safety device will only be engaged during in the presence of owner or operator staff and during active ingress activities.

(8) Owners and operators of a new or existing hydrocarbon storage tank(s) shall install an Equipment Monitoring and Information Tracking Tag (EMITT) on each storage tank in accordance with 20.2.50.12 NMAC.

(9) Owners and operators complying with the control requirements in 20.2.50.23.B(1) NMAC through 20.2.50.23.B(4) NMAC through use of a control device shall comply with the control device operational requirements in 20.2.50.15 NMAC.

(10) After the compliance deadlines established in the rule, it is a violation to operate any tank not complying with the requirements of this section.

C. Monitoring Requirements

(1) The owner or operator of any storage tank subject to control requirements shall monitor the total monthly liquid throughput (barrels) and the upstream separator pressure (psig) on a monthly basis. Any time the storage tank is unloaded less frequently than monthly, the throughput and separator pressure monitoring shall be conducted prior to the storage tank being unloaded.

(2) The owner or operator of any storage tank subject to control requirements shall conduct an auditory, visual, and olfactory (AVO) inspection on a ~~weekly~~ monthly basis. Any time the storage tank is unloaded less frequently than

weekly, the AVO inspections shall be conducted prior to the storage tank being unloaded.

(3) The owner or operator of any storage tank subject to control requirements shall inspect the tanks monthly to ensure compliance with the requirements of 20.2.50.23 NMAC. Inspections shall include a check to ensure the tanks have no leaks, that all hatches are closed, the pressure relief valves are properly seated, and all vent lines are closed.

~~(4) Each monitoring or inspection shall include the scanning of the EMITT and the simultaneous entry of the required monitoring data in accordance with the requirements of 20.2.50.12 NMAC.~~

~~(5)~~(4) Owners and operators complying with the requirements in 20.2.50.23.B(1) NMAC through 20.2.50.23.B(4) NMAC through use of a control device shall comply with the monitoring requirements in 20.2.50.15 NMAC.

~~(6) Owners and operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) Owners and operators subject to control requirements under 20.2.50.23 NMAC shall, on a monthly basis, maintain the following records ~~in accordance with 20.2.50.12 NMAC~~ for each storage tank of:

(a) The tank's location and unique inventory control number or name;

(b) Monthly liquid throughput and the most recent date of measurement;

(c) The average monthly upstream separator pressure;

(d) The data and methodology used to calculate the potential to emit of VOC (the calculation methodology must be a Department approved methodology);

(e) The controlled and uncontrolled VOC emissions (tpy); and

(f) The location, type, make, model and unique identification number of any control equipment.

(2) Records of liquid throughput required in 20.2.50.23.D(1) NMAC shall be verified by dated delivery receipts from the purchaser of the hydrocarbon liquids, or metered volumes of hydrocarbon liquids sent downstream, or other proof of transfer.

(3) Records of the inspections required in 20.2.50.23.C NMAC shall include the time and date of the inspection, the person conducting the inspection, a notation that each check required under 20.2.50.23.C NMAC was completed, a description of any problems observed during the inspection, and a description and date of any corrective actions taken in accordance with 20.2.50.12 NMAC.

(4) Owners and operators complying with the requirements in 20.2.50.23.B(1) NMAC through 20.2.50.23.B(4) NMAC through use of a control device shall comply with the recordkeeping requirements in 20.2.50.15 NMAC.

~~(5) Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements.

(1) Owners and operators complying with the requirements in 20.2.50.23.B(1)

NMAC through 20.2.50.23.B(4) NMAC through use of a control device shall comply with the reporting requirements in 20.2.50.15 NMAC.

(2) Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.24 STANDARDS FOR WORKOVERS

A. Applicability

(1) All workovers performed at oil and natural gas wells are subject to the requirements of 20.2.50.24 NMAC for any workovers performed after the effective date of this Part.

(2) 20.2.50.24 NMAC does not apply to gas storage wells regulated by the Federal Energy Regulatory Commission or the Pipeline Hazardous Materials Safety Administration.

B. Emission Standards

(1) Owners and operators of oil or natural gas wells shall use the following best management practices during workovers to minimize emissions, consistent with well site conditions and good engineering practices:

(a) Reduce wellhead pressure prior to blowdown to minimize the volume of natural gas vented;

(b) Monitor manual venting in close proximity to the well or via remote telemetry; and

(c) Route natural gas flow to the sales line, if possible.

C. Monitoring Requirements

(1) Owners and operators subject to 20.2.50.24 NMAC shall monitor the following parameters during workovers:

(a) Wellhead pressure;

(b) Flow rate of the vented natural gas (to the extent feasible); and

(c) Duration of venting to the atmosphere.

(2) Owners and operators shall calculate the volume and mass of VOC vented during each workover.

~~(3) Owners and operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) Owners and operators subject to 20.2.50.24 NMAC shall keep the following records for each workover:

(a) The identification number and location of the well;

(b) The date(s) the workover was performed;

(c) Wellhead pressure;

(d) Flow rate of the vented natural gas (to the extent feasible. If measurement of the flow rate is not feasible, the owner or operator shall use the maximum potential flow rate in the emission calculation);

(e) Duration of venting to the atmosphere;

(f) A description of the management practices used to minimize release of VOC prior to and during the workover; and
(g) A calculation of the VOC emissions vented during the workover based on the duration, volume, and mass of VOC.
~~(2) Owners and operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements
(1) Owners and operators shall comply with the reporting requirements in 20.2.50.12 NMAC.
(2) If it is not feasible to prevent VOC emissions from being emitted to the atmosphere from any workover event, the owner or operator shall notify all residents by certified mail located within 0.25 miles of the well of the planned workover at least three (3) calendar days prior to the workover event.

20.2.50.25 STANDARDS FOR OIL AND NATURAL GAS STRIPPER WELLS AND FACILITIES WITH SITE-WIDE VOC POTENTIAL TO EMIT LESS THAN 15 TPY

A. Applicability
(1) Stripper wells, defined as any oil and natural gas well producing less than 10 barrels of oil per day or less than 60 thousand standard cubic feet of natural gas per day, are subject to the requirements of 20.2.50.25 NMAC.
(2) Owners or operators of stripper wells shall comply with these requirements no later than one year after the effective date of this Part.
(3) Facilities with a site-wide annual PTE of less than 15 tons per year of VOC are subject to the requirements of 20.2.50.25 NMAC.
(4) Owners or operators of facilities with a site-wide annual PTE of less than 15 tons per year of VOC shall comply with these requirements no later than one year after the effective date of this Part.
(5) If at any time a facility identified in 20.2.50.25.A(1) or (3) NMAC exceeds the daily production limit or PTE threshold of 15 tpy of VOC, the owner or operator shall conduct semi-annual LDAR monitoring as required by 20.2.50.16.C(2)(b) NMAC for a period of two years.
(6) 20.2.50.25 NMAC does not apply to gas storage wells regulated by the Federal Energy Regulatory Commission or the Pipeline Hazardous Materials Safety Administration.
~~(5)~~

B. Emission Standards
(1) Owners or operators shall ensure that all equipment located at a stripper well or low-PTE facility shall be operated and maintained consistent with manufacturer specifications and good engineering and maintenance practices. The owner or operator shall keep manufacturer specifications and maintenance practices on file and make them available upon request by the Department.
(2) Owners or operators of an oil or natural gas stripper well or individual facility with a site-wide PTE less than 15 tpy of VOC shall, within the first calendar

Formatted: Indent: Left: 1.08", No bullets or numbering quarter of the year, use actual production volumes to calculate the VOC and NOx emissions from the stripper well site.

(3) Owners or operators of an oil or natural gas stripper well(s) or facility(s) with a site-wide PTE less than 15 tpy of VOC shall maintain a database of company-wide calculated VOC and NOx emissions estimates for each site and must update the database annually.

C. Monitoring Requirements

(1) Owners or operators complying with 20.2.50.25 NMAC shall monitor the following for each stripper well or facility with a site-wide PTE of VOC less than 15 tpy:

(a) the unique identifier of the stripper well or facility (number and name, as applicable);

(b) the UTM coordinates of the stripper well or facility and its county of location;

(c) the annual total well production rate in barrels of oil per year and natural gas production in thousand standard cubic feet per year; and

(d) Dates, duration, and VOC emission estimates of any venting or flaring event longer than eight (8) hours.

~~(2) Owners or operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) Owners or operators complying with 20.2.50.25 NMAC shall:

(a) maintain electronic records of the following for each stripper well and low-PTE facility:

(i) the unique identifier of the stripper well and low-PTE facility (number and name, as applicable);

(ii) the UTM coordinates of the stripper well and low-PTE facility and its county of location;

(iii) the total annual well production in barrels of oil per year and natural gas production in thousand standard cubic feet; and

(iv) Dates, duration, and VOC emission calculation of any venting or flaring event lasting longer than eight (8) hours, and the cause of the event.

(2) Within the first calendar quarter of the year, record the calculated total annual emissions of VOC and NOx from each stripper well site and low-PTE facility in tons, and the company-wide total VOC and NOx emissions from stripper wells and low-PTE facilities in tons. All venting and flaring emissions shall be included in the calculated total annual emissions.

(3) Within the first calendar quarter of the year, provide a description of the management practices used to minimize and prevent the release of VOC and NOx at each stripper well and low-PTE facility.

~~(4) Owners or operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements

Owners or operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.26 STANDARDS FOR EVAPORATION PONDS

A. Applicability

(1) All new and existing oil and natural gas evaporation ponds with pond capacity equal to or greater than [TBD barrels] or a potential to emit greater than [10 lbs/day VOC] and located at wellhead sites, tank batteries, gathering and boosting sites, natural gas processing plants, ~~transmission compressor stations,~~ or not associated with a facility but located in San Juan, Lea, Eddy, Rio Arriba, Sandoval counties are subject to the requirements of 20.2.50.26 NMAC.

(2) Owners or operators of oil and natural gas evaporation ponds shall comply with these requirements no later than 180 days after the effective date of this Part.

B. Emission Standards

(1) Owners or operators of an oil or natural gas evaporation pond shall use best management practices to minimize emissions of VOC, consistent with good engineering practices.

(2) Prior to unloading into a pond(s), all liquids shall be first loaded into a 20.2.50.23 NMAC compliant liquid storage tank designed to minimize subsequent VOC emissions from the pond.

(3) Owners or operators shall install an impermeable continuous barrier or cover over the entire surface area of the liquid, which prevents VOC emissions from being emitted to the atmosphere. Owners and operators shall ensure that VOC emissions are collected and routed to a control device for destruction.

C. Monitoring Requirements

(1) For each oil or natural gas evaporation pond, the owners or operators subject to 20.2.50.26 NMAC shall:

(a) on a monthly basis, perform an inspection to ensure that the barrier is an impermeable continuous barrier or cover that covers the entire surface area of liquid;

(b) on a monthly basis, ensure that all VOC emissions are being captured and routed to a control device; and

(c) monitor the monthly total and annual total oil and natural gas evaporation pond throughput in thousands of gallons of liquids.

~~(2) Owners or operators shall comply with the monitoring requirements in 20.2.50.12 NMAC.~~

D. Recordkeeping Requirements

(1) Owners or operators subject to 20.2.50.26 NMAC shall maintain electronic records of the following for each evaporation pond:

(a) the unique identifier of the evaporation pond (number and name, as applicable);

(b) the UTM coordinates of the evaporation pond site and its county of location;

(c) the results of the barrier or cover inspection, including the date, time, and name of the personnel performing the inspection;
(d) the results of the VOC capture and control device inspection, including the date, time, and name of the personnel performing the inspection; and
(e) the total calculated VOC emissions in tons per year.

(2) Owners or operators of an oil or natural gas evaporation pond shall, within the first calendar quarter of the year, record the calculated emission estimates of VOC from the evaporation pond in tons per year.
(3) Owners or operators of an oil or natural gas evaporation pond shall record a description of the management practices used to minimize release of VOC at the evaporation pond, and the company-wide total VOC emissions from evaporation ponds in tons per year.
(4) Owners or operators of an oil or natural gas evaporation pond shall, within the first calendar quarter of the year, use actual volumes of liquid loaded into each site's pond(s) to calculate total site-wide VOC emissions from all evaporation ponds.
(5) Owners or operators of an oil or natural gas evaporation pond(s) shall maintain a database of company-wide calculated annual total VOC emissions estimates in tons per year from each pond.

~~(6) Owners or operators shall comply with the recordkeeping requirements in 20.2.50.12 NMAC.~~

E. Reporting Requirements
Owners or operators shall comply with the reporting requirements in 20.2.50.12 NMAC.

20.2.50.27 PROHIBITED ACTIVITIES AND CREDIBLE INFORMATION ~~PRESUMPTIONS~~

A. Failure to comply with any of the emissions standards, recordkeeping, reporting, or other requirements of this Part within the timeframes specified shall constitute a violation of this Part subject to enforcement action under Section 74-2-12 of the Act.

~~B. If credible information obtained by the Department indicates that a source is not in compliance with any provision of this Part, the source shall be presumed to be in violation of this Part unless and until the owner or operator provides credible evidence or information demonstrating otherwise.~~

B. If credible information provided to the Department by a member of the public indicates that a source ~~is~~ may not be in compliance with any provision of this Part, the Department will conduct an independent investigation to evaluate the allegations~~the source shall be presumed to be in violation of this Part unless and until the owner or operator provides credible evidence or information demonstrating otherwise~~. The Department may pursue an enforcement action under Section 74-2-12 of the Act, as appropriate.