

in Rule 417 and 427 are equivalent or more stringent than the existing state oil and gas regulation. The Rule 427 hydrocarbon control standard of 98% is more stringent than the state regulation standard of 95%. In addition, the three subject crude oil production facilities are already subject to the more stringent state leak detection and repair threshold of 1,000 ppm. Finally, in order to avoid duplicate or conflicting requirements with the following ongoing rule making activities, MBARD staff propose not to move forward with a new rule:

1. The United States Environmental Protection Agency (EPA) is in the process of updating their New Source Performance Standard (NSPS) and Emission Guidelines (EGs) for New, Reconstructed, Modified Sources, and Existing Sources in the oil and natural gas sector. EPA expects to finalize these rules by the end of 2022.
2. CARB will likely be updating the Greenhouse Gas Emissions Standard for Crude Oil and Natural Gas Facilities to comply with EPA requirements. This process is anticipated to begin in 2022 and be completed in 2023.
3. The California Department of Conservation's Geologic Energy Management Division (CalGEM) drafted a new rule for Protection of Communities and Workers from Health and Safety Impacts from Oil and Gas Production Operations. This rule includes leak detection and repair provisions which are more stringent than Rule 427. Public comments on the rule were due December 21, 2021. It is anticipated this rule making process will conclude in 2022.
4. San Joaquin Valley Air Pollution Control District is in the process of considering amendments to their leak detection and repair rules for oil and gas production facilities. The first public workshop was held on October 7, 2021. The next step will be preparing the proposed amendments to the rules. We anticipate this rule making process to occur in 2022 and possibly into 2023.
5. CARB redesignated MBARD to attainment for the state 8-hour ozone standard in 2020. Emission reductions from a potential new rule are not needed to attain the 8-hour ozone standard.

Conclusion

The rule development activity under review per the Expedited BARCT Schedule is for VOC emission reductions from a potential new rule for crude oil sources subject to the BARCT schedule. MBARD is proposing to not proceed with creating a new rule due to several other federal, state, and local air district rulemaking activities in the oil and gas sector in order to avoid duplicate or conflicting requirements.