

January 21, 2014

**Meeting Notes Summary –Options Subgroup of Workgroup for Global Air Permit Policy Development for Temporary Oil and Gas Drill Rigs**

Date of Meeting: Thursday, January 16, 2014

Time of Meeting: 14:00 – 15:00

Location of Meeting: Conference Room A, Bayview Building, 619 E. Ship Creek Ave., Ste. 249, Anchorage, AK 99501 and Teleconference

Options Subgroup of Workgroup for Global Air Permit Policy Development for Temporary Oil and Gas Drill Rigs (DRWG Options subgroup) Members present in person: Brad Thomas, ConocoPhillips (CPAI); Tom Turner, Environmental Conservation/ Division of Air Quality- Air Permits Program Technical Services Section Manager (ADEC/ AQ- APP/TS); Alejandra Castaño, BP (Alaska) Exploration (BPXA); John Neason, Nabors Drilling (Nabors)

Technical Subgroup of Workgroup for Global Air Permit Policy Development for Temporary Oil and Gas Drill Rigs (DRWG) Members present via telephone: Joshua Kindred, Alaska Oil and Gas Association (AOGA); Alice Edwards, Director, ADEC/ AQ; John Kuterbach, ADEC/ AQ- APP Manager; Dave Bray, U. S. Environmental Protection Agency/ Region 10 (USEPA/R10); Mike Munger, Cook Inlet Citizen's Regional Advisory Council (CIRCAC); John Hellén, Pioneer Natural Resources Alaska, Inc. (Pioneer)

Meeting Facilitator: Jeanne Swartz, ADEC/AQ

Public members present: Tom Chapple, HMM Consulting

Public members present by telephone: Ann Mason, SLR

**1) Introductions**

The meeting commenced at 14:02. Jeanne Swartz welcomed all the participants and asked for introductions, first from the participants present in person, then from the participants joining the meeting by telephone.

**2) Summary of 01/09/14 DRWG Technical subgroup meeting**

Jeanne Swartz began by describing some of the discussion that transpired in the 01/09/16 meeting of the DRWG Technical subgroup about the proposed mission statement for the DRWG Technical subgroup:

**The Drill Rig Technical Subgroup shall determine whether the available monitoring and modeling data is sufficiently accurate, representative and complete to reasonably conclude**

- 1. that the current models significantly over predict ambient concentrations for drilling operations, and**

January 16, 2014

**2. that drilling activity anywhere in the state is very unlikely to cause ambient air concentrations greater than the NAAQS, and, if these conclusions cannot be made, recommend what additional data or limitations on the conclusions are needed to assist in developing and finalizing a programmatic approach that would provide protection of ambient air quality standards and reasonably address air quality planning requirements.**

While it was not raised during the meeting, the DRWG Technical subgroup agreed to reword the proposed mission statement, shown above, as follows:

**The Drill Rig Technical Subgroup shall determine whether the available monitoring and modeling data is sufficiently accurate, representative and complete to reasonably conclude that drilling activity anywhere in the state is unlikely to cause ambient air concentrations greater than the NAAQS, and, if these conclusions cannot be made, recommend what additional data or limitations on the conclusions are needed to assist in developing and finalizing a programmatic approach that would provide protection of ambient air quality standards and reasonably address air quality planning requirements**

Instead of continuing with further discussion on the proceeds of the DRWG Technical subgroup meeting, the DRWG Options subgroup meeting went on to other discussions.

### **3) Discussion - Regulatory Options**

Dave Bray joined the group and took some time to recap his involvement in the DRWG project. He made the point that USEPA has strict obligations under the Clean Air Act (CAA) when a major source is at issue, but has more flexibility in minor source requirements. He said, in answer to a question, that in cases where drilling operations move on and off a major stationary source, that USEPA does scrutinize the situation carefully, but that if the emissions are being generated by mobile sources, that they are not considered, but if the sources are non-road engines, they may encounter closer scrutiny. Dave said that as more technical data is reviewed, more policy options would be available.

### **4) Discussion- Pathway for DRWG Options subgroup**

Two proposals about the direction of the DRWG Options subgroup were put forth. In the first, it was suggested that the DRWG Options subgroup wait until the Technical subgroup drew conclusions about the monitoring data so the direction of a regulations shift would be more evident. Another suggestion was for the DRWG Options subgroup to investigate different options that would meet the likely acceptance of USEPA; to define the regulations and policy boundaries.

Dave Bray said that case-by-case permitting is difficult; that it is more efficient to find a policy that will work for 95% of the applications and then only have to consider 5% on a case-by-case basis.

January 16, 2014

This led to a discussion about different types of drilling scenarios, particularly on the North Slope where a rig might easily be in one location for two years.

#### **5) Set Focus for Next Meeting and Steps/ Actions Needed Prior to Meeting**

Joshua Kindred said that one way to look at how to proceed with developing different options for drill rigs is to consider how persuasive the monitoring data being reviewed by the DRWG Technical subgroup is to make the case that the Alaska Ambient Air Standards (AAQs) are not threatened and build three regulations options accordingly. In one case, the monitoring data would show that there is no danger to the AAQs, in the second case, the data would be unpersuasive and show that there may be a real present or future threat to the AAQs, and in the third case, the data would be inconclusive. There was a request to define for the DRWG Options subgroup more clearly where in the Alaska State Implementation Plan (SIP) the present Drill Rig regulations exist.

It was suggested that the next DRWG Options subgroup meeting should be held on Thursday, January 30, via teleconference.

The meeting concluded at 15:10.

#### **Action Items Generated From January 16 Meeting:**

- **Present drill rig regulations will be reviewed (authority, location in SIP)**
- **DRWG Options subgroup will review progress/ information provided by DRWG Technical subgroup from January 9 and January 23 meetings**
- **DRWG Options subgroup members will prepare to frame discussion about boundaries of potential regulations:**
  - **Current monitoring data persuasive in demonstrating AAQs are not threatened by drill rigs**
  - **Current monitoring data persuasive in demonstrating AAQs are threatened by drill rigs**
  - **Current monitoring data inconclusive in demonstrating AAQs are not threatened by drill rigs**
- **The meeting summary from the January 16<sup>th</sup> DRWG Options subgroup meeting will be circulated and placed on the DRWG website within a few days**
- **ADEC will provide a meeting invitation, a meeting place in Anchorage, and agenda for the second Technical subgroup meeting, to be held the Thursday, January 30, 2014**

Respectfully submitted,

Jeanne Swartz ADEC/AQ