



Regulatory Advisory

March 2012



Regulation for the Mandatory Reporting of Greenhouse Gas Emissions Advisory PTSD 12-01

EXTENSION OF BEST AVAILABLE MONITORING METHODS FOR SPECIFIED PARAMETERS USED TO CALCULATE GREENHOUSE GAS EMISSIONS FOR PETROLEUM AND NATURAL GAS SYSTEMS

The purpose of this advisory is to announce that the California Air Resources Board (ARB) is extending the use of best available monitoring methods (BAMM) for specified parameters used to calculate greenhouse gas emissions for petroleum and natural gas systems. The extension is being made to ensure data consistency and to provide additional time for reporters to install necessary monitoring and measurement equipment and implement data collection procedures. ARB is extending the use of BAMM for an additional three months (October 1, 2011 through December 31, 2011).

Background

The most recent revisions to the regulation for the mandatory reporting of greenhouse gas emissions (MRR) were first considered at the December 16, 2010 ARB Board meeting and became effective on January 1, 2012. These revisions included new reporting requirements for the upstream oil and gas industry. Previously, the upstream oil and gas industry segments reported only stationary fuel combustion emissions; the revised MRR requires the reporting of additional process emissions such as venting, flaring, compressor, dehydrator and acid gas treatment related greenhouse gas (GHG) emissions. In order to promote consistency of reporting for facilities at the state and federal level, the revised MRR harmonized its reporting requirements with the United States Environmental Protection Agency (U.S. EPA) Final Rule on Mandatory Reporting of Greenhouse Gases (Title 40, Code of Federal Regulations (CFR), Part 98).

Section 95100(c) of the revised MRR "incorporated by reference" two U.S. EPA 40 CFR Part 98 Final Rules which dealt with GHG reporting for petroleum and natural gas systems. The first Final Rule (November 30, 2010), *Mandatory Reporting of Greenhouse Gases: Petroleum and Natural Gas Systems*, set forth the GHG reporting requirements. The second U.S. EPA Final Rule (April 25, 2011) provided reporters the ability to use BAMM for certain reporting data for the period from January 1, 2011 through September 30, 2011.

The April 25, 2011 Final Rule is the latest U.S. EPA regulatory document addressing BAMM requirements that is incorporated into the MRR. On September 27, 2011, U.S. EPA issued another regulatory revision to the BAMM provisions that extend the use of BAMM through the end of 2011 (i.e., use of BAMM was allowed January 1, 2011 through December 31, 2011).

Current Action

With this Regulatory Advisory, ARB is administratively extending the time period for the use of BAMM from October 1, 2011 through December 31, 2011. This time extension will harmonize the MRR requirements with the current 40 CFR Part 98 BAMM provisions, which include the September 27th BAMM update. This action should not result in a degradation of the 2011 GHG emissions data quality received by ARB from petroleum and natural gas system reporters. The 2011 emissions data derived using BAMM will be more consistent and reporting should be less time consuming and cumbersome for reporters as they work to comply with the new Federal and State reporting requirements.

For what time period is the use of BAMM approved for certain GHG emissions data reporting requirements?

BAMM may be used for specified parameters used to calculate greenhouse gas emissions for petroleum and natural gas systems for the entire 2011 reporting year data for certain GHG emission related data. This advisory does not apply to any subsequent data year.

What data are covered by this BAMM extension?

Emissions data in the following sections of 40 CFR Part 98 are covered by this regulatory advisory:

Parameters specified in 40 CFR sections 98.233(f)(2), (f)(3), and (f)(4) are covered by this BAMM extension. See the link below to access these documents.

Where can I find more information and documentation concerning this extension?

The MRR may be found at the following web-link:

<http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-rep.htm>

The U.S.EPA Final Rules concerning this action may be found here:

<http://www.epa.gov/climatechange/emissions/notices.html>