

COMPLIANCE ASSISTANCE BULLETIN

January 2018

California Air Resources Board's Oil and Gas Regulation

In March 2017, the California Air Resources Board (CARB) adopted a regulation affecting oil and gas production, gas processing and transport operations. The regulation has specific requirements for tank settings, compressors, gas-driven pneumatic devices and pumps, wells with open casing vents, and natural gas storage facilities. These requirements include equipment-specific testing and monitoring, and may require the installation of controls on tank settings, compressors, or pneumatic devices and pumps.

During the state's rule development process, it became apparent that the Valley stakeholders affected by this regulation favored local implementation of the program due to the District's expertise in this area and its extensive permitting and enforcement infrastructure that has been in place for decades. All parties, including CARB and the Valley's regulated stakeholders, agreed that local administration of the program will provide for more effective and expeditious implementation at lower cost to Valley businesses. Towards that end, in December 2017 the District adopted a registration program (District Rule 2260) to implement the state regulation.

To ensure compliance with the new regulation, please note the following upcoming compliance dates:

- 1/1/18: Quarterly Leak Detection and Repair (LDAR) inspections are required on all subject equipment. Please note that permitted equipment previously subject to LDAR under existing District Rules is exempt from this requirement.
- 3/1/18: A registration application for all equipment subject to the state regulation must be submitted. Modifications of operations requiring additional control equipment subject to District permitting must go through the permitting application process, even if the modifications are required to comply with the state regulation.
- 7/1/18: An inventory of all equipment covered by the state regulation must be submitted.

The state regulation and District Rule may affect your operation in other ways, and you are encouraged to carefully examine the requirements. The state regulation, District Rules, Registration Applications and other related material are located on the District's webpage at <http://valleyair.org/busind/pto/ptoforms/oil-and-gas-registration.htm>.

In addition, District staff are available and happy to discuss the details of these requirements. Please contact Small Business Assistance at the numbers below.

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