

# PIOGA's comments and recommendations concerning proposed GP-5

On March 3, the Pennsylvania Department of Environmental Protection published notice in the Pennsylvania Bulletin of the availability for public comment of proposed substantive amendments to General Plan Approval and General Operating Permit BAQ-GPA/GP-5 applicable to Natural Gas Production and Processing Facilities (GP-5). The department established an initial public comment deadline of May 2. 42 Pa. Bull. No. 9, 1187 (March 3, 2012). On April 21, in response to requests submitted by PIOGA and others, the department published notice of an extension of the public comment deadline to May 23. 42 Pa. Bull. 2252 (April 21, 2012).

PIOGA submitted extensive comments and recommendations concerning the proposed GP-5 to the department on May 23.<sup>1</sup> The department has also received comments from the general public, industry, equipment vendors, environmental groups and the United States Environmental Protection Agency. A summary of the public comments received in response to the proposed GP-5 can be viewed at the DEP Air Quality Technical Advisory Committee (AQTAC) website.<sup>2</sup>

The proposed GP-5, if approved, will greatly expand the scope of the currently applicable GP-5, making this by far the most complicated general permit the department has ever issued.

The scope of the currently applicable GP-5 pertinent here, "is limited to a facility engaged in the production of natural gas ..." (emphasis added).<sup>3,4</sup>

Further, while the current GP-5 establishes visibility emission limitations and a prohibition on malodors that may be applicable facility-wide, it establishes specific emission limitations only for the internal combustion engines with the rated capacities and commencement of construction dates specified in the permit, other internal combustion engines (limited in scope) also specified in the permit and glycol dehydrators with the commencement of construction date and uncontrolled potential VOC emission rate also specified in the permit. Similarly, the current GP-5 establishes performance testing requirements applicable only to the specified equipment within the scope of the general permit. Lastly, the current GP-5 has a fee of \$375 for a "general plan approval application, gener-

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al operating permit application and operating permit renewal fee.”<sup>5</sup>

By comparison, the proposed GP-5 would establish standards and requirements applicable to the following significantly expanded categories of sources and equipment: spark ignition internal combustion engines (generally referenced herein as reciprocating internal combustion engines or RICE)<sup>6</sup>; simple cycle gas turbines<sup>7</sup>; centrifugal compressors<sup>8</sup>; storage vessels<sup>9</sup>; glycol dehydrators<sup>10</sup>; glycol dehydrator unit reboilers<sup>11</sup>; onshore natural gas processing plants<sup>12</sup>; wellheads including well completion operations with hydraulic fracturing<sup>13</sup>; pneumatic controllers<sup>14</sup>; and sweetening units<sup>15</sup>.

In short, the proposed GP-5 would subject virtually all of the categories of sources and emission units present in the natural gas production and processing source category, from the wellhead to the transfer of the gas to the interstate pipeline, to its broad permitting requirements. The standards and requirements of the proposed GP-5 closely track the standards and requirements of the EPA’s recently promulgated Standards of Performance for New Stationary Source (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAPs).<sup>16</sup>

In addition to greatly expanding the number of categories of sources and equipment to which GP-5 would apply and requiring the use of a single general permit for the permitting of such sources, the revised GP-5 would impose numerous additional requirements and conditions not currently part of GP-5 including requiring the permitting of sources and/or source categories, such as wellheads and associated equipment, that are now specifically exempt from both plan approval and operating permit requirements as set forth in DEP’s list of air quality exemptions;<sup>17</sup> requiring sources that may be exempt from plan approval requirements to make application for a the new GP-5 for use as an operating permit;<sup>18</sup> restating various requirements of the State Implementation Plan (SIP) that would be independently applicable to sources regardless of a permit<sup>19</sup>; establishing best available technology (BAT) requirements for lean burn and rich burn RICE<sup>20</sup>; establishing performance testing requirements for sulfur dioxide (SO<sub>2</sub>) and particulate matter (PM) from RICE<sup>21</sup>; establishing daily visible emission checks for RICE<sup>22</sup>; establishing broadly applicable leak detection and repair (LDAR) requirements<sup>23</sup>; and increasing the application fee for a plan approval application over 400 percent from \$375 to \$1,700 and establishing a new annual administration fee of \$375.<sup>24</sup>

Further, the proposed GP-5 includes a definition section, most of whose terms are defined elsewhere in federal regulations.<sup>25</sup> Lastly, most of the so-called requirements of the proposed GP-5 are merely statements to the effect that the owner and operator of

the specified source or equipment must comply with the applicable specified requirement of federal law or regulation.<sup>26, 27</sup>

### PIOGA’s comments and recommendations

PIOGA, as noted, submitted extensive comments and recommendations to the department concerning the proposed GP-5.<sup>28</sup> PIOGA’s major comments and recommendations were as follows:

- Rather than use a single all-encompassing permit, the department should issue multiple general permits with each applicable to groupings of similar sources (PIOGA comments at 3-4).<sup>29</sup>
- The department should delete the definitions in Section 2 of the proposed GP-5 because in many instances they are inconsistent with their counterparts in federal regulations (PIOGA comments at p. 4).<sup>30</sup>
- DEP should incorporate by reference applicable federal definitions to assure consistency with underlying federal and state requirements (PIOGA comments at p. 4).
- The department should not require the permitting of sources which have historically been exempt from both plan approval and operating permit requirements under DEP’s list of air quality exemptions because that requirement will lead to confusion among the regulated community and in many cases is unnecessary (PIOGA comments at pp. 4-6).
- The department should define the circumstances under which a source which has historically been exempt from operating permit requirements must obtain such permitting (PIOGA comments at pp. 5-6)
- The use of a single permit to permit multiple sources is based on the incorrect assumption that such sources can be permitted as a “single source” and such assumption is without regard for applicable federal and state criteria for aggregation determinations (PIOGA comments at p. 6).
- The department should delete from proposed GP-5 Section A, conditions 13, 14 and 15 pertaining to fugitive dust emissions, diesel powered motor vehicles and odor control, respectively,



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because they are generally applicable to all sources in the Commonwealth by virtue of their inclusion in the SIP (PIOGA comments at pp. 6-7).

PIOGA's major comments and recommendations also pointed out that DEP should provide documented justification for the emission limitations proposed as BAT for lean burn and rich burn RICE (PIOGA comments at p. 7); the emission testing requirements, including daily visible emission checks, SO<sub>2</sub> and PM "stack" tests for RICE should be deleted from the proposed GP-5 (PIOGA comments at pp. 7-8); the department should limit the LDAR program to natural gas processing plants and VOCs and clarify the 30-day audible, visual and olfactory inspection and initial leak detection requirements (PIOGA comments at p. 8); DEP should provide justification in the public record for the over 400-percent increase in the cost of a permit application and institution of a new annual administration fee (PIOGA comments at p. 8); given the anticipated increase in the number of applications if the proposed GP-5 is adopted, the department's limited technical resources and the requirement that DEP act on an application within 30 days, PIOGA requested that the department explain in the public record how it will comply with this obligation under these circumstances (PIOGA comments at pp. 8-9); and the proposed GP-5 will create uncertainty as to the finality of permit conditions in the event of a third-party appeal from a permit amendment or reissuance to the Pennsylvania Environmental Hearing Board.

The department has advised PIOGA representatives that it has received the association's comments, that it will give them active consideration and that further action on the proposed GP-5 can be expected sometime in the fall. □

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<sup>1</sup> For PIOGA's complete comments to GP-5 go to [www.pioqa.org/publication/files/pioqa-gp5-comments.pdf](http://www.pioqa.org/publication/files/pioqa-gp5-comments.pdf).

<sup>2</sup> For a summary of the public comments received in response to Draft GP-5 go to [www.dep.state.pa.us/dep/subject/advoun/aqtac/2012/06-14-12/AQTAC\\_6-14-2012\\_GP-5\\_Comments\\_final.pdf](http://www.dep.state.pa.us/dep/subject/advoun/aqtac/2012/06-14-12/AQTAC_6-14-2012_GP-5_Comments_final.pdf)

<sup>3</sup> GP-5, Condition 2, p. 1.

<sup>4</sup>The current GP-5 also establishes best available technology (BAT) pursuant to 25 Pa. Code §§127.1 and 127.12(a)(5) for internal combustion engines, "with a

rated capacity equal to or greater than 100 brake horsepower, but no greater than 1500 bhp "and on which construction commenced after March 10, 1997."; and glycol dehydrators with, "total uncontrolled potential emission rates of volatile organic compounds (VOCs) emissions equal to or greater than 10 tons per year" and on which construction commenced after March 10, 1997. GP-5, condition 2, p. 2, condition 13b., p. 5; GP-5, condition 2, p. 2, and condition 13c., p. 5.

<sup>5</sup> GP-5, condition 8.

<sup>6</sup> Proposed GP-5, Section B, pp. 17 – 26.

<sup>7</sup> Proposed GP-5, Section C, pp. 26 – 34.

<sup>8</sup> Proposed GP-5, Section D, pp. 34 – 35.

<sup>9</sup> Proposed GP-5, pp. 35 – 36.

<sup>10</sup> Proposed GP-5, pp. 37 – 42.

<sup>11</sup> Proposed GP-5, pp. 43 – 45.

<sup>12</sup> Proposed GP-5, p. 45.

<sup>13</sup> Proposed GP-5, pp. 46 – 47.

<sup>14</sup> Proposed GP-5, p. 48.

<sup>15</sup> Proposed GP-5, pp. 48 – 49.

<sup>16</sup> On April 17, EPA approved final NSPS and NESHAPS applicable to the oil and gas industry. Final regulations have yet to be published in the Federal Register. For a prepublication version of those regulations go to [www.epa.gov/airquality/oilandgas/pdfs/20120417finalrule.pdf](http://www.epa.gov/airquality/oilandgas/pdfs/20120417finalrule.pdf) (last accessed June 27).

<sup>17</sup> As stated, pursuant to DEP's currently effective list of air quality permit exemptions (Document No. 275-2101-003, dated July 26, 2003), wellheads and associated equipment are not subject to Plan Approval or operating permit requirements.

<sup>18</sup> Section 3(c) of the proposed GP-5 states: "if a source is exempted from Plan Approval requirements under 25 Pa. Code §127.14 (relating to exemptions), this GP-5 may be used to authorize the operation of a source."

<sup>19</sup> Section A, condition 13(a) of Proposed GP-5 requires facilities to minimize fugitive dust using sweeping and/or tire washing systems. Section A, condition 14 purports to impose diesel powered motor vehicle idling requirements. Section A, Condition 154 purports to impose odor control requirements.

<sup>20</sup> Proposed GP-5, Section B., pp. 17 through 26.

<sup>21</sup> Proposed GP-5, Section B4. pp. 20 through 24.

<sup>22</sup> Proposed GP-5, Section B2 (g), p. 19.

<sup>23</sup> Proposed GP-5, Section J., p. 47).

<sup>24</sup> Section A, condition 10 of proposed GP-5 increases the fee for a Plan Approval application from \$375 to \$1,700 and establishes a new annual administration fee of \$375.

<sup>25</sup> See Section 2 of Proposed GP-5.

<sup>26</sup> For example, Section C, condition 1(a) of Proposed GP-5 (p. 26) in essence states that the owner or operator of a new or reconstructed natural gas-fired simple cycle turbine with a specified rating capacity commenced construction modification or reconstruction after February 18, 2005, shall comply with the requirements specified in 40 CFR Part 60, subpart KKKK.

<sup>27</sup> Excluding the definitions that are included directly in Proposed GP-5 and the definitions that are included in the general provisions of 40 CFR Part 60 and 40 CFR Part 63 (and other related definitions under attainment and non-attainment new source review (NSR) there are approximately 337 definitions incorporated by reference in proposed GP-5

<sup>28</sup> See footnote 2.

<sup>29</sup> PIOGA believes such an approach would be consistent with the purpose of a general permit which is to simplify the permitting process for similar sources and the requirements of Section 504(d) of the Clean Air Act which authorizes the use of general permits for similar sources.

<sup>30</sup> For example, the definition of *natural gas processing plant* in proposed GP-5 is different from the same definition in 40 CFR Part 60 Subpart OOOO, which excludes JT valves and skids.