



air pollution control district
SANTA BARBARA COUNTY



AIR QUALITY GUIDANCE OFFSHORE OIL & GAS PLATFORM DECOMMISSIONING

- Q1. *Are air quality permits required for the decommissioning and dismantling of an offshore oil and gas platform?*
- A1. Yes. An air district Authority to Construct permit is required. The local and state rules and regulations that are incorporated into the OCS Air Regulation (40 C.F.R. Part 55) apply. Depending upon the potential-to-emit of the project, a federal PSD permit and/or a Title V permit may also be required. Operators are advised to contact the air district well in advance to discuss the permitting requirements. We suggest that operators build in at least 12-18 months into the schedule to obtain the required permits.
- Q2. *What equipment is subject to permit?*
- A2. Two criteria must first be met to require a permit. First, the equipment must meet the definition for an OCS source as defined in 40 C.F.R. Part 55. This definition includes vessels that are physically attached to either the platform or the seafloor (see 40 C.F.R. § 55.2). Second, the equipment needs to be subject to the air district's permitting regulations. The decommissioning process has distinct phases. The first phase includes plugging and permanent abandonment of the oil and gas wells as well as conductor removal. By the end of this phase, all hydrocarbons are removed from the process equipment. The second phase includes platform topsides dismantling and removal, platform jacket structure removal, subsea cable and pipeline removal, and shell mounds removal. Examples of the types of equipment that may be subject to permit include: drill rig engines, flares, oil storage tanks/vessels, support/utility boat main propulsion and auxiliary engines, support/utility boat main work engines (water blasters, welding, jet pumps, rotoscrows, compressors, pumps, winches, cranes), derrick barge/heavy lift vessel work engines (main power, winches, hoists, cranes, compressors, welding, backup power).

For the well plugging and abandonment phase, the air districts recommend using the existing platform permits to the extent possible. This would include existing permitted drilling equipment, flares, and crew and supply boats. New permits may be required for

equipment not covered by the existing platform permits. This may include unique equipment such as specialized diesel engines powering pulling and jacking units for well conductor removal. Due to different permit exemption rules, the operator needs to check with each air district to assess if any of the equipment qualifies for an exemption from permit.

For the topsides and jacket structure removal phase, the operator will need to obtain a new Authority to Construct permit. Given the logistics of mobilizing for such a large project, operators are advised to contact the air district well in advance to discuss the permitting requirements and to build in at least 12-18 months to obtain the required permits. Permits for subsea cables and pipeline removal, as well as shell mound removal, will be dependent upon the phasing of the project.

- Q3. *At what point in the decommissioning process will an offshore oil and gas platform cease to be a 'stationary source' subject to air district permitting authority?*
- A3. Each air district has its own definition of "stationary source" consistent with federal definitions under the Clean Air Act (see 42 U.S.C. §7602). Operators should refer to the applicable air district regulation for the specific definition. Generally, an offshore oil and gas platform will remain an active stationary source subject to air district permitting authority through the completion of all activities related to the platform decommissioning and dismantling process. This includes well plugging and abandonment, topsides removal, and platform jacket structure removal. Once the platform jacket structure is removed (or is left in place as part of an authorized rigs-to-reef program), the stationary source ceases to exist.
- Q4. *At what point in the decommissioning process are permits required?*
- A4. Permits are required prior to installing and/or using any piece of equipment. Operators are advised to contact the air district well in advance to discuss the permitting requirements and to build in at least 12-18 months to obtain the required permits.
- Q5. *Is best available control technology (BACT) required?*
- A5. BACT may be required, and is determined on a case-by-case basis. Operators are encouraged to meet with air district staff once their project description is defined. This should be done before an Authority to Construct application is submitted. At this time, the air districts anticipate that BACT for project work engines will be at least Tier 4 Final diesel engines (or equivalent).

- Q6. *Are the propulsion and auxiliary engines for a support/utility boat subject to BACT requirements?*
- A6. Emissions from marine vessel propulsion engines (main/auxiliary) typically do not meet the definition of an OCS source since they are not physically attached to either the platform or the seafloor (see 40 C.F.R. Part 55), and in that case, they are not subject to BACT requirements.
- Q7. *How do I address BACT for barges/heavy lift vessels when the main engines provide power to both the propulsion system and work engines?*
- A7. Although BACT is not applied to the main engines while “in transit”, once the vessel meets the definition for an OCS source (by being physically attached to either the platform or the seafloor), BACT is then applied to the main engines if these engines are used to provide power to the work equipment used in the decommissioning / dismantling process. At this time, the air districts anticipate that BACT for project work engines will be at least Tier 4 Final engine standards (or equivalent).
- Q8. *Are offsets required for platform decommissioning?*
- A8. Offsets are not required for the air district permits. (See Cal. Health and Safety Code § 42301.13). However, alternative mitigation may be required as part of NEPA and/or CEQA review.
- Q9. *Is an air quality impact analysis (AQIA) required for platform decommissioning?*
- A9. An air quality impact analysis (AQIA) may be required depending on the applicable air district’s New Source Review requirements. Generally, an AQIA is required if the project triggers Federal Prevention of Deterioration (PSD). An AQIA may also be required as part of NEPA and/or CEQA review.
- Q10. *If an AQIA is required, where are the receptors located for the modeling?*
- A10. Air districts require receptors to be placed onshore.
- Q11. *Is a health risk assessment (HRA) required for platform decommissioning?*
- A11. A health risk assessment (HRA) is not required for the air district permits. However, an HRA may be required as part of NEPA and/or CEQA review.

Q12. *Are air district permits issued for the decommissioning and dismantling of an offshore oil and gas platform in the OCS subject to California Environmental Quality Act (CEQA) review?*

A12. Yes, “emissions and discharges” from the project are subject to CEQA review. (See 14 C.C.R. sec. 15277.) This analysis will include all project air emissions, not just those emissions from permitted equipment. The air districts expect to be the lead agency under CEQA for the Authority to Construct permits issued for these OCS platform decommissioning and dismantling projects.

Q13. *Will the State’s “Airborne Toxic Control Measure For Diesel Particulate Matter from Portable Engines” (CCR Section 93116) and “Airborne Toxic Control Measure for Stationary Compression Ignition Engines” (CCR Section 93115) apply to engines used for the decommissioning of an OCS oil and gas platform?*

A13. The answer depends on whether these regulations are included in Appendix A of the OCS Air Regulation (40 CFR Part 55). As of May 2019, only the Stationary Diesel Engine ATCM is included in the OCS Air Regulation. This regulation exempts OCS Platforms from the requirements in Sections 93115.6 (Emergency Engine Emission Standards) and Section 93115.7 (Prime Engine Emission Standards). The standards of Section 93115.5 (Fuel and Fuel Additive Requirements) do apply to any stationary engine rated greater than 50 bhp. Since the Portable Diesel Engine ATCM is not included in the OCS Air Regulation, the requirements of that regulation would not be applicable on the OCS.