WRAP OGWG: 0&G EI PHASE 2 STATUS UPDATE

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OUTLINE

- Baseline Inventory
- Future Year OTB&OTW: 3 scenarios
- Future Year Additional Controls
- Program Review Task



BASELINE INVENTORY

- Deliverables available on WRAP OGWG website: https://www.wrapair2.org/OGWG.aspx
 - Baseline Inventory: <u>technical memo</u> | <u>spreadsheet</u> | <u>gas profiles</u>
 - Survey
 - WRAP OGWG Survey Data Collection Synthesis Memo, Ramboll
 - Complete survey, Fleet turnover and controls-focused survey
 - Base Case:
 - 2014 base case (v1) emission inventory spreadsheet
 - 2014 oil and gas activity spreadsheet
- In-progress
 - SMOKE-inputs development for WRAP Modeling and 2016 Emission Platform Collaborative



FUTURE YEAR OTB & OTW - SCENARIO 1

- Medium Scenario: "Continuation of Historical Trends"
- Will be used in regional haze modeling
- Base to Future Year Activity Change: O&G growth/decline assumptions developed with state agency input
- Emission Controls:
 - Emission rates for basin/well type/spud type combinations with steady or declining activity will be assumed unchanged from base year
 - Controls analysis for basin/well type/spud type combinations where substantial growth is occurring:

Basin Name	Well Type(s)	Spud Type(s)
Denver Basin	Oil	Н
Williston Basin	Oil	Н
Permian Basin	Oil	Н
Permian Basin	Gas	Н
Arctic Coastal Plains Province	Oil	Н
Uinta Basin*	Oil / Gas	Н
Green River Basin	Gas	D

99% oil production 93% gas production 81% well count



FUTURE YEAR OTB & OTW - SCENARIO 2

- Low Scenario: Reduced Legacy Well Activity
- Activity:
 - Legacy (vertical) wells: Legacy wells retire more quickly (twice as fast as medium scenario)
 - Multi-stage fracing (horizontal) wells: same as medium scenario
- Controls: no controls analysis



FUTURE YEAR OTB & OTW - SCENARIO 3

- High Scenario: Increased Horizontal Well Activity
- Activity:
 - Multi-stage fracing (horizontal) wells: Increase in O&G activity by a percentage to be determined, tiered to medium scenario estimates
 - Legacy (vertical) wells: same as medium scenario
- Controls: no control analysis



FUTURE YEAR OTB & OTW - DELIVERABLES/SCHEDULE

- 9/6: Scenario 1 Draft Report, Spreadsheet
- 9/16: Comments due on Scenario 1
- 9/26: Scenario 1 Revised Draft Report, Spreadsheet, SMOKE Inputs (WRAP Modeling and 2016 National Collaborative)
- End of October: Scenario 1, 2, and 3 Draft Final Report (inclusive of all scenarios), spreadsheets



ADDITIONAL REASONABLE CONTROLS

- Provide menu of potential emission controls with emission reduction percentage from uncontrolled/existing, cost effectiveness, and other metrics relevant to 4-factors analysis
 - Focus: Categories with substantial NOx emissions (e.g, midstream engines, wellhead compressor engines, artificial lift engines, flares, heaters, drill rigs, fracing engines)
 - Agencies select control measures and prevalence to apply in their jurisdiction
- Agency selected controls will be applied in SMOKE for CAMx modeling of Additional Reasonable Controls

Four statutory factors [40 CFR 51.308(f)(2)(i)] relevant to inventory analyses

- Cost of compliance
- Time necessary for compliance
- Energy and non-air quality impacts of compliance
- Remaining useful life of any potentially affected major/minor stationary source or group of sources



ADDITIONAL REASONABLE CONTROLS

• Deliverable:

• Report/memo and likely a spreadsheet-based controls menu

Schedule

- Complete work in 2019
- More details at next WRAP OGWG teleconference in early-October



AGENCY PROGRAM REVIEW TASK

- Emphasis will be on describing state programs
- Starting point
 - OGWG Road Map: Phase I Report Appendix A (On-the-Books Regulations Tables)
- Scope
 - To include elements similar to previous 2013 program review https://www.wrapair2.org/Analysis.aspx
 - Write-up on individual state programs will be leaner than 2013 program review
 - Focus will be on comparison of elements across programs (e.g., side-by-side tables)
- Schedule
 - Early Nov: draft report/memo
 - Early Dec: final report/memo
 - Complete work by end of 2019
 - More details during next WRAP OGWG meeting in early-October



QUESTIONS?

