# Spill Prevention, Control, and Countermeasure (SPCC) Rule Final Amendments for Oil Production Facilities

On December 5, 2008, EPA amended the SPCC rule to tailor certain requirements for oil production facilities (73 FR 74236).

## What is a production facility?

EPA finalized the definition of a production facility to read:

"Production facility means all structures (including but not limited to wells, platforms, or storage facilities), piping (including but not limited to flowlines or intra-facility gathering lines), or equipment (including but not limited to workover equipment, separation equipment, or auxiliary non-transportation-related equipment) used in the production, extraction, recovery, lifting, stabilization, separation or treating of oil (including condensate) and associated storage or measurement and is located in an oil or gas field, at a facility. This definition governs whether such structures, piping, or equipment are subject to a specific section of this part."

### What are the compliance dates for new production facilities?

The final rule allows a new oil production facility (one that becomes operational after July 1, 2009) six months after the start of operations to prepare and implement an SPCC Plan. The "start of operations" for an oil production facility is indicated by the start of well fluid pumping, transfer via flowlines, separation, treatment or storage of crude oil, or the storage of other oils in capacities that exceed the rule's current oil storage capacity thresholds for applicability.

#### What rule changes affect oil production facilities?

## Loading/Unloading Racks

Oil production facilities are now excluded from the loading/unloading rack requirements because loading and unloading racks are not typically associated with production facilities.

# Flowlines and Intra-Facility Gathering Lines

Intra-facility gathering lines subject to Department of Transportation (DOT) regulations are now exempt from all SPCC requirements.

The final rule also provides flowlines and intra-facility gathering lines a conditional exemption from all secondary containment requirements. Instead of general secondary containment, an owner or operator may choose to prepare a contingency plan and written commitment of manpower, equipment, and materials.

The rule also establishes more specific requirements for a flowline/intra-facility gathering line maintenance program.

#### **Produced Water Containers**

The final rule exempts produced water containers and any associated piping and appurtenances downstream of the container if a Professional Engineer (PE) certifies that no discharge from the produced water container, including a complete loss of the capacity of the container, would cause harm, as described in 40 CFR part 110. Owners/operators who take advantage of this exemption are required to have this part of their SPCC Plan certified by a PE, even if they are eligible for self-certification as a qualified facility.

If a discharge as described in §112.1(b) occurs from an exempt produced water container, then the container, piping, and appurtenances are not eligible for the exemption.

For those produced water containers that do not meet the criteria for an exemption, the facility owner/operator now has the option to apply general secondary containment requirements and conduct visual inspections, maintenance, and corrective action, instead of sized secondary containment. To take advantage of this option, the owner or operator must implement, on a regular schedule, a procedure that is designed to separate the

free-phase oil that accumulates on the surface of the produced water. The SPCC Plan must include a description of the procedures, frequency, amount of free-phase oil expected to be maintained inside the container, and a PE certification.

Sized secondary containment must be installed if the facility discharges more than 1,000 U.S. gallons of oil in a single discharge, or discharges more than 42 U.S. gallons of oil in each of two discharges within any twelve month period, from a produced water container<sup>1</sup> within six months of such a discharge.

# Flow-Through Process Vessels

The final rule provides an alternative to the sized secondary containment requirements for flow-through process vessels at oil production facilities. Instead of sized secondary containment, a facility owner or operator may choose to:

- Provide general secondary containment, and
- Inspect or test flow-through process vessels and components for leaks, corrosion, or other conditions that could lead to a discharge, and
- Promptly remove or initiate actions to stabilize and remediate any oil accumulations, and
- Take corrective action or make repairs to flow-through process vessels and any associated components should a discharge occur.

Sized secondary containment must be installed if the facility discharges more than 1,000 U.S. gallons of oil in a single discharge, or discharges more than 42 U.S. gallons of oil in each of two discharges within any twelve month period, from flow-through process vessels<sup>1</sup> within six months of such a discharge.

# **Qualified Facility Eligibility**

The final rule establishes alternative criteria for an oil production facility to be eligible to self-certify an SPCC Plan as a qualified facility. A qualified oil production facility is one that has not had a single discharge exceeding 1,000 U.S. gallons or two discharges each exceeding 42 U.S. gallons within any twelve month period in the three years prior to Plan certification<sup>1</sup>, or since becoming subject to 40 CFR part 112 and has either:

- (1) No more than two producing wells per single tank battery, each of which produce ten barrels or less of crude oil per well per day if the facility has an injection well, or
- (2) No more than four producing wells per single tank battery, each of which produce ten barrels or less of crude oil per well per day with no injection wells, or
- (3) 10,000 U.S. gallons or less of aggregate aboveground oil storage capacity.

Oil production facilities may qualify as Tier I qualified facilities if the facility has no individual oil storage container with a capacity greater than 5,000 U.S. gallons, and may also take advantage of the streamlined Tier I qualified facility SPCC Plan template, found in Appendix G to the SPCC rule requirements.

#### **Permanently Closed Containers**

The final rule clarifies the definition of "permanently closed" as it applies to a production facility. The definition does not require that a permanently closed container be removed from the facility. In addition, any new container brought on to a facility that has never stored oil is not subject to the SPCC rule, nor is it counted toward the facility capacity until it stores oil. The rule also clarifies that the permanent closure requirements under the SPCC rule are separate and distinct from the closure requirements in regulations promulgated under Subtitle C of the Resource Conservation and Recovery Act (RCRA).

#### For More Information

Visit the EPA Office of Emergency Management Web site

www.epa.gov/emergencies

Review the Oil Pollution Prevention regulation (40 CFR part 112)

http://www.gpoaccess.gov/cfr/

Call the Superfund, TRI, EPCRA, RMP, and Oil Information Center

(800) 424-9346 or (703) 412-9810 TDD (800) 553-7672 or (703) 412-3323 www.epa.gov/superfund/resources/infocenter

To Report an Oil or Chemical Spill Call the National Response Center (800) 424-8802 or (202) 267-2675 TDD (202) 267-4477

Office of Emergency Management

<sup>&</sup>lt;sup>1</sup> This requirement excludes discharges that are the result of natural disasters, acts of war, or terrorism