

# Bulletin 2006-41

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## Revised *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting* (formerly *Guide 60*)

This bulletin announces the November 2006 edition of *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting*. This transition from a guide to a directive is in accordance with *Bulletin 2004-02: Streamlining EUB Documents on Regulatory Requirements*.

*Directive 060* replaces all previous editions of *Guide 60: Upstream Petroleum Industry Flaring Guide* and *Guide 60 Updates and Clarifications*. The directive combines the requirements found in *Guide 60* (1999) and the requirements plus the clarifications to frequently asked questions contained in *Guide 60 Updates and Clarifications* (2001), incorporates feedback from industry and the public on *Draft Guide 60*, and includes about 70 recommendations from four Clean Air Strategic Alliance (CASA) multistakeholder Flaring and Venting Project Team (FVPT) reports.

The requirements in the November 2006 edition of *Directive 060* are effective January 31, 2007.

Until April 30, 2007, the EUB will work with operators by providing education in cases where noncompliance with these new requirements is identified and corrective actions are taken.

After April 30, 2007, in cases where operators are in the process of implementing changes to comply with the new requirements in *Directive 060* but have not yet achieved compliance, operators must have the following material available for audit if requested by the EUB:

- a detailed plan and schedule for complying with new *Directive 060* requirements before June 30, 2007, and
- justification for not complying with new *Directive 060* requirements by April 30, 2007.

After April 30, 2007, if no effort has been made to achieve compliance with the new requirements in *Directive 060* or the material described above is not available for audit, the EUB will apply enforcement.

After June 30, 2007, all requirements will be enforced.

Requirements that are unchanged from previous versions of *Directive 060* (formerly *Guide 60*) must be complied with immediately.

This directive uses the same section numbers used in all previous versions of *Guide 60*, thereby providing continuity for users who are familiar with past versions.

A summary of key revisions in the 2006 edition of *Directive 060* is contained in Appendix 1 of the directive. For convenience, some of the most significant changes are highlighted below. Each of these changes below resulted from a recommendation by the CASA FVPT.

- The economic evaluation criterion for solution gas conservation is no longer a net present value (NPV) greater than zero. Conservation is now required if the evaluation yields an NPV greater than -\$50,000. See Section 2.8.1.
- Applying the decision tree and conducting an economic evaluation is no longer required for solution gas flares and vents less than 900 m<sup>3</sup>/day unless specifically requested by the EUB. See Section 2.3.
- The decision tree process that was originally developed for solution gas flaring has now been extended to solution gas venting and nonassociated gas flaring and venting. See Sections 2.3, 3.1, 4.1, 5.1, 6.1, and 8.1.
- Time limits have been developed for well test flaring and venting. There are time limits specific to each type of well. For conventional oil and gas wells, for example, the time limit is 72 hours. The time limits were developed based on data gathered by the EUB and reviewed by the CASA FVPT. See Section 3.2.
- Upon completion of testing, conventional oil and gas wells and dry coalbed methane wells must be shut in until conservation is in place (unless it is demonstrated that conservation is not required or is not required to be evaluated). See Section 3.2(6).
- Additional gas plant flaring requirements have been developed. These include reduced flare volume limits on larger gas plants and a requirement to not exceed six major nonroutine flaring events in any consecutive six-month period. See Sections 5.2 and 5.3.
- It is now a requirement that programs be developed and implemented to address fugitive emissions. See Section 8.7.

*Directive 060* is available for download on the EUB Web site [www.eub.ca](http://www.eub.ca) and in print from EUB Information Services (640 – 5 Avenue SW, main floor, Calgary; telephone: (403) 297-8190; fax: (403) 297-7040; e-mail: [eub.info\\_services@eub.gov.ab.ca](mailto:eub.info_services@eub.gov.ab.ca)).

Questions regarding *Directive 060* may be directed to the EUB's Customer Contact Centre by telephone at (403) 297-8311 or by e-mail at [eub.inquiries@eub.ca](mailto:eub.inquiries@eub.ca).

The EUB plans to hold information sessions regarding the new *Directive 060* requirements in December 2006 and January 2007. Details about these sessions will be posted on the EUB Web site once they are finalized.

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