## Inventory of U.S. Greenhouse Gas Emissions and Sinks 1990-2013: Revision to Offshore Platform Emissions Estimate

### Overview of Method in 2014 Inventory (estimates for 1990-2012)

The U.S. Department of the Interior (DOI) began inventorying offshore platform greenhouse gas emissions in the Bureau of Ocean Energy Management's (BOEM) Gulf Offshore Activity Data System (GOADS) for 2000 with additional inventories for 2005, 2008 and 2011. GOADS collects monthly activity data from platform sources; these activity data are combined with emission factors (EFs) published by the EPA, and Emission Inventory Improvement Program (EIIP) emission estimation methods to develop the GOADS emissions inventory. The original year 2000 GOADS data was used to develop the platform-level EFs used in EPA's *Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2012* released in 2014 (2014 Inventory) for offshore platform emissions.

#### **Revised Approach for 2015 Inventory**

EPA updated the 2015 Inventory to use emission factors developed from GOADS year 2011 data across all years of the time series.

EPA solicited feedback from expert reviewers¹ and public reviewers on several options for developing and applying revised EFs for offshore oil and gas emissions in the GHG Inventory. Reviewers agreed that more recent years of GOADS data (2005, 2008, and 2011) can be used to improve the accuracy of EFs used across the time series. Reviewers supported an approach wherein EFs would be developed for each year of available GOADS data, and used for the Inventory years on either side of the GOADS inventory year that provides the EF. Reviewers pointed out that flaring and venting restrictions for offshore facilities under 30 CFR 250 Subpart K became effective in 2010, so using the 2011 emissions data for prior years may not be an accurate representation.

Taking into account this feedback, EPA plans to implement an approach where new sets of EFs will be developed from each year of GOADS inventory data and used for the national GHG inventory years on either side of the GOADS inventory year that provides the EF. EPA is in the process of calculating EFs for GOADS years 2005 and 2008 for the 2016 GHG Inventory.

To calculate EFs for the 2011 year of GOADS data, the platform data in GOADS were separated into the four categories used in the GHG Inventory: deepwater gas; deepwater oil; shallow water gas; and shallow water oil. Then, the reported emissions for each platform group were used to develop average platform EFs (scf pollutant/day/platform). More details on the methodology used to develop the EFs are presented in Appendix A. Note that the revised EFs discussed in this memorandum exclude carbon dioxide (CO<sub>2</sub>) emissions from flaring on offshore platforms, which is a separate line item in natural gas systems in the GHG Inventory. The EFs resulting from year 2011 GOADS data are presented below in Table 1.

EPA sought feedback on two options assessed for distinguishing between oil and gas wells (both onshore and offshore). Based on review feedback, EPA used a gas-to-oil ratio (GOR) threshold of 100 mcf/bbl to distinguish onshore gas wells from onshore oil wells; GOR greater than 100 mcf/bbl indicates a gas well, and less than or equal to 100 mcf/bbl indicates an oil well. A GOR threshold of 100 mcf/bbl is employed by states including Texas, Alaska, and Pennsylvania to define onshore gas wells versus oil wells. EPA used this same GOR threshold to delineate oil versus gas platforms in the GOADS data.

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<sup>&</sup>lt;sup>1</sup> Every year, the Inventory undergoes an expert review period during which a first draft of the document is sent to a select list of technical experts outside of EPA. The purpose of the Expert Review is to encourage feedback on the methodological and data sources used in the current Inventory, especially for sources which have experienced any changes since the previous Inventory. This memorandum references feedback from 2015 Inventory expert reviewers.

Table 1 presents the EFs for methane ( $CH_4$ ) and  $CO_2$  that were developed from 2011 GOADS. The EFs resulting from the GOADS 2011 inventory are presented in the third column and the EFs used in the 2014 Inventory are presented in the fourth column of Table 1 below. As seen in Table 1, when gas platforms are defined as producing more than 100 mcf/bbl, there are no deepwater gas platforms in the available database, resulting in no EF for this platform group. EPA's estimates in the 2015 Inventory assign the deepwater oil platform EF to deepwater gas platforms as a surrogate.

Table 1. Update Implemented in Public Review Draft — EFs Based on GOADS 2011

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|---|-----------|------------------------|----------------------------|--|
|   |           | 2011 GOADS Platform EF | 2014 Inventory Platform EF |  |
| Depth   | Well Type | (scf/day)              | (scf/day)                  |  |
| CH <sub>4</sub> EFs   |           |                        |                            |  |
| DEEP >656ft   | GAS       |                        | 79,452                     |  |
| DEEP >656ft   | OIL       | 93,836                 | 260,274                    |  |
| SHALLOW   | GAS       | 8,899                  | 19,178                     |  |
| SHALLOW   | OIL       | 16,552                 | 54,795                     |  |
| CO <sub>2</sub> EFs   |           |                        |                            |  |
| DEEP >656ft   | GAS       |                        | 403                        |  |
| DEEP >656ft   | OIL       | 1,100                  | 1,701                      |  |
| SHALLOW   | GAS       | 166                    | 97                         |  |
| SHALLOW   | OIL       | 276                    | 358                        |  |

The impacts of changing the current Inventory EFs to those developed from the GOADS 2011 data are presented in Table 2 below, for year 2012.

Table 2. Impact of New Factors from GOADS on Year 2012 National Estimates

|   |                | Inventory with GOADS |  |  |
|---|----------------|----------------------|--|--|
|   | 2014 Inventory | Year 2011 EFs        |  |  |
| Gas Platforms (MT of specified gas):      |                |                      |  |  |
| CH <sub>4</sub> : Shallow Water Platforms | 266,000        | 123,000              |  |  |
| CH <sub>4</sub> : Deep Water Platforms    | 23,000         | 27,000               |  |  |
| CO <sub>2</sub> : Shallow Water Platforms | 1,300          | 2,300                |  |  |
| CO <sub>2</sub> : Deep Water Platforms    | 116            | 320                  |  |  |
| CO₂: Flaring                              | 358,000        | 358,000              |  |  |
| Total GHG (MT CO₂e)                       | 7,584,000      | 4,100,000            |  |  |
| Oil Platforms (MT of specified gas):      |                |                      |  |  |
| CH <sub>4</sub> : Shallow Water Platforms | 553,000        | 168,000              |  |  |
| CH <sub>4</sub> : Deep Water Platforms    | 54,000         | 19,000               |  |  |
| CO <sub>2</sub> : Shallow Water Platforms | 10,000         | 8,000                |  |  |
| CO <sub>2</sub> : Deep Water Platforms    | 1,000          | 620                  |  |  |
| Total GHG (MT CO₂e)                       | 15,186,000     | 4,700,000            |  |  |

EPA also sought feedback on updates to activity data for this source. Reviewers noted available data sources (e.g. Lexco/OWL) that could inform activity data and allow differentiation between active and inactive platforms.

#### Comparison of 2014 Inventory, Inventory Revision, and GHGRP data

In the 2014 Inventory for natural gas and petroleum systems source categories, 2012 emissions from offshore oil and gas platforms were 22.5 MMT  $CO_2$ e of  $CH_4$ , and 0.37 MMT  $CO_2$ . For year 2012, the GHGRP received reports from 106 oil and gas platforms with emissions totaling 1.5 MMT  $CO_2$ e of  $CH_4$  and 0.47 MMT  $CO_2$  from sources analogous to those included in natural gas and petroleum systems. The revision to the Inventory decreases 2012 methane emissions in the GHG Inventory to 8.5 MMT  $CO_2$ e of  $CH_4$ . Due to the large contribution of the unchanged flaring estimate,  $CO_2$  emissions remain at 0.37 MMT  $CO_2$ .

The difference between GHGRP and the Inventory CH<sub>4</sub> emissions is attributable to the GHGRP only covering facilities that have combined GHG emissions equal to or exceeding 25,000 MTCO<sub>2</sub>e in all offshore waters. The difference between GHGRP and Inventory CO<sub>2</sub> emissions is attributable to coverage and differences in the "flaring" emissions source which accounts for nearly 98% of CO<sub>2</sub> emissions. The current methodology for offshore platform flaring emissions has not been revised, and is based on annual volumes of vented and flared gas in conjunction with an estimated proportion of gas that is flared. These annual data have historically been obtained directly from MMS/BOEMRE, but have not been updated since 2008 due to lack of available data. Reviewers suggested that EPA review gas release volumes by PRA and/or identify which platforms have flare systems to improve this estimate.

# Appendix A: Methodology for Developing GOADS 2011 Factors

The following general steps were taken to develop platform-based EFs:

- The 2011 Gulfwide Inventory for platform sources was used to obtain CH<sub>4</sub> and CO<sub>2</sub> emissions by platform, and included the lease ID, complex ID, and structure ID in the data set.
- The above data set was linked to BOEM's Platform Masters table downloaded from this website: <a href="https://www.data.boem.gov/homepg/data\_center/platform/platform.asp">https://www.data.boem.gov/homepg/data\_center/platform/platform.asp</a> to provide the water depth for each platform.
- Platforms with water depth greater than 656 feet were flagged as deep water platforms. Platforms with water depth less than 656 feet were flagged as shallow water platforms. This depth is the same depth used to divide platforms for the current Inventory method.
- Only one lease had platforms that were identified as both deep water and shallow water. There were no emissions associated with the deep water platform with this lease; therefore, it was assigned to shallow water for this analysis.
- The Gulfwide Inventory lease IDs were linked to the 2011 BOEM Oil and Gas Operations Reports (OGOR) production data downloaded from this website for use in categorizing the platforms as "gas" or "oil":

   <u>https://www.data.boem.gov/homepg/pubinfo/freeasci/product/freeprod\_ogora.asp</u>. Matches were found in the OGOR production data set for 995 out of 1176 leases. Of the unmatched lease IDs from the Gulfwide Inventory, only 47 (4%) had CH<sub>4</sub> emissions and production values reported for GOADS.
- Using the OGOR production data for oil and gas, each lease was categorized as "oil" or "gas" by defining gas leases as those that have a production ratio of 100 mcf gas per barrel of oil produced or greater.
- Methane emissions were averaged over all platforms in a category to develop an average platform methane EF.
- For developing CO<sub>2</sub> EFs, emissions from boilers, engines, drilling rigs, flares, and turbines were excluded. The
  resulting CO<sub>2</sub> EFs included emissions from flashing, mud degassing, pneumatic pumps, pressure level controllers,
  and cold vents. The 2011 GOADS data does not include CO<sub>2</sub> emissions for amine units, fugitives, glycol
  dehydrators, or storage tanks.
- Annual GOADS data was divided by 365 to develop daily EFs.