

## Environmental Protection Agency

## § 98.404

fractionated NGLs delivered to customers or on behalf of customers (metric tons).

CO<sub>2i</sub> = Annual CO<sub>2</sub> mass emissions that would result from the combustion or oxidation of fractionated NGLs delivered to all customers or on behalf of customers as calculated in paragraph (a)(1) or (a)(2) of this section (metric tons).

CO<sub>2m</sub> = Annual CO<sub>2</sub> mass emissions that would result from the combustion or oxidation of fractionated NGLs received from other fractionators and calculated in paragraph (c)(1) of this section (metric tons).

[74 FR 56374, Oct. 30, 2009, as amended at 75 FR 66478, Oct. 28, 2010]

### § 98.404 Monitoring and QA/QC requirements.

(a) Determination of quantity.

(1) NGL fractionators and LDCs shall determine the quantity of NGLs and natural gas using methods in common use in the industry for billing purposes as audited under existing Sarbanes Oxley regulation.

(i) Where an appropriate standard method published by a consensus-based standards organization exists, such a method shall be used. Consensus-based standards organizations include, but are not limited to, the following: ASTM International, the American National Standards Institute (ANSI), the American Gas Association (AGA), the American Society of Mechanical Engineers (ASME), the American Petroleum Institute (API), and the North American Energy Standards Board (NAESB).

(ii) Where no appropriate standard method developed by a consensus-based standards organization exists, industry standard practices shall be followed.

(2) NGL fractionators and LDCs shall base the minimum frequency of the product quantity measurements, to be summed to the annual quantity reported, on the reporter's standard practices for commercial operations.

(i) For NGL fractionators the minimum frequency of measurements shall be the measurements taken at custody transfers summed to the annual reportable volume.

(ii) For natural gas the minimum frequency of measurement shall be based on the LDC's standard measurement schedules used for billing purposes and summed to the annual reportable volume.

(3) NGL fractionators shall use measurement for NGLs at custody transfer meters or at such meters that are used to determine the NGL product slate delivered from the fractionation facility.

(4) If a NGL fractionator supplies a product not listed in Table NN-1 of this subpart that is a mixture or blend of two or more products listed in Tables NN-1 and NN-2 of this subpart, the NGL fractionator shall report the quantities of the constituents of the mixtures or blends separately.

(5) For an LDC using Equation NN-1 or NN-2 of this subpart, the point(s) of measurement for the natural gas volume supplied shall be the LDC city gate meter(s).

(i) If the LDC makes its own quantity measurements according to established business practices, its own measurements shall be used.

(ii) If the LDC does not make its own quantity measurements according to established business practices, it shall use its delivering pipeline invoiced measurements for natural gas deliveries to the LDC city gate, used in determining daily system sendout.

(6) An LDC using Equation NN-3 of this subpart shall measure natural gas at the custody transfer meters.

(7) An LDC using Equation NN-4 of this subpart shall measure natural gas at the customer meters. The reporter shall consider the volume delivered through a single particular meter at a single particular location as the volume delivered to an individual end-user.

(8) An LDC using Equation NN-5 of this subpart shall measure natural gas as follows:

(i) Fuel<sub>1</sub> shall be measured at the on-system storage injection meters and/or at the meters measuring natural gas to be liquefied.

(ii) Fuel<sub>2</sub> shall be measured at the meters used for measuring on-system storage withdrawals and/or LNG vaporization injection. If Fuel<sub>2</sub> is from a source other than storage, the appropriate meter shall be used to measure the quantity.

(9) An LDC shall measure all natural gas under the following standard industry temperature and pressure conditions: Cubic foot of gas at a temperature of 60 degrees Fahrenheit and at an

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absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch.

(b) Determination of higher heating values (HHV).

(1) When a reporter uses the default HHV provided in this section to calculate Equation NN-1 of this subpart, the appropriate value shall be taken from Table NN-1 of this subpart.

(2) When a reporter uses a reporter-specific HHV to calculate Equation NN-1 of this subpart, an appropriate standard test published by a consensus-based standards organization shall be used. Consensus-based standards organizations include, but are not limited to, the following: AGA and GPA.

(i) If an LDC makes its own HHV measurements according to established business practices, then its own measurements shall be used.

(ii) If an LDC does not make its own measurements according to established business practices, it shall use its delivering pipeline measurements.

(c) Determination of emission factor (EF).

(1) When a reporter used the default EF provided in this section to calculate Equation NN-1 of this subpart, the appropriate value shall be taken from Table NN-1 of this subpart.

(2) When a reporter used the default EF provided in this section to calculate Equation NN-2, NN-3, NN-4, NN-5, or NN-7 of this subpart, the appropriate value shall be taken from Table NN-2 of this subpart.

(3) When a reporter uses a reporter-specific EF, the reporter shall use an appropriate standard method published by a consensus-based standards organization to conduct compositional analysis necessary to determine reporter-specific CO<sub>2</sub> emission factors. Consensus-based standards organizations include, but are not limited to, the following: AGA and GPA.

(d) Equipment Calibration.

(1) Equipment used to measure quantities in Equations NN-1, NN-2, and NN-5 of this subpart shall be calibrated prior to its first use for reporting under this subpart, using a suitable standard method published by a consensus based standards organization or according to the equipment manufacturer's directions.

(2) Equipment used to measure quantities in Equations NN-1, NN-2, and NN-5 of this subpart shall be recalibrated at the frequency specified by the standard method used or by the manufacturer's directions.

**§ 98.405 Procedures for estimating missing data.**

(a) Whenever a quality-assured value of the quantity of natural gas liquids or natural gas supplied during any period is unavailable (e.g., if a flow meter malfunctions), a substitute data value for the missing quantity measurement must be used in the calculations according to paragraphs (b) and (c) of this section.

(b) Determination of quantity.

(1) NGL fractionators shall substitute meter records provided by pipeline(s) for all pipeline receipts of NGLs; by manifests for deliveries made to trucks or rail cars; or metered quantities accepted by the entities purchasing the output from the fractionator whether by pipeline or by truck or rail car. In cases where the metered data from the receiving pipeline(s) or purchasing entities are not available, fractionators may substitute estimates based on contract quantities required to be delivered under purchase or delivery contracts with other parties.

(2) LDCs shall either substitute their delivering pipeline metered deliveries at the city gate or substitute nominations and scheduled delivery quantities for the period when metered values of actual deliveries are not available.

(c) Determination of HHV and EF.

(1) Whenever an LDC that makes its own HHV measurements according to established business practices cannot follow the quality assurance procedures for developing a reporter-specific HHV, as specified in § 98.404, during any period for any reason, the reporter shall use either its delivering pipeline measurements or the default HHV provided in Table NN-1 of this part for that period.

(2) Whenever an LDC that does not make its own HHV measurements according to established business practices or an NGL fractionator cannot follow the quality assurance procedures for developing a reporter-specific