



Wyoming's Environmental Audit Program

2022 AAPCA Best Practice in Air Quality

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Lars Lone, Wyoming DEQ

Environmental Audit History

- § W.S. 35-11-1105/6 enacted into law in 1995
- Rarely used since its inception
- 2016 saw a shift in purchases of oil & gas facilities in Wyoming
 - More facilities being sold at auction
 - Needed to explore options for greater inspection coverage without growing the size of the program
- Began in depth look at the Environmental Audit Law and tried to determine why it wasn't being utilized more
- Discovered a concern with oversight from EPA by companies
- In October 2018 we entered into a MOU with EPA recognizing Wyoming as the lead agency for Audits



Environmental Audit

- Process by which a company examines its facilities
 - Determines if there is noncompliance
 - Notifies WDEQ of deficiencies
 - Corrects violations
- Design of the audit is to correct past noncompliance, improve current compliance, prevent future noncompliance
- Environmental Audits are privileged communications between the company and WDEQ
- WDEQ typically will not seek civil penalties or injunctive relief for violations (some exceptions may apply)



Environmental Audit Process

- Company informs WDEQ they are commencing an audit
- Company given 180 days to conduct the audit
 - WDEQ provides support in the form of records requests, spot checks, recommendations, etc.
- Upon completion of audit or @180 days company begins preparation of Audit Reports
- Within 60 days of audit completion all reports, findings, information, work plans etc. are submitted to WDEQ
- WDEQ and company meet to discuss findings and way ahead
- Upon completion of work plan letters is submitted with results, Emissions reductions, and costs.
- WDEQ spot checks to validate corrections, closes audit



Environmental Audit Advantages

- Provides incentive for company to participate
 - Protections from penalties
 - Easy 2-way communication
- Allows for innovation to ensure future compliance is met
 - Opportunity to test new ideas/emerging technologies
 - Helps companies identify where emissions are occurring
- Force Multiplier for inspections during the year
 - 21% of facilities statewide have been audited since 2016 (~650 extra inspections p/year)
- Used by all enforceable divisions within WDEQ
- Easily program to incorporate as most of the work is done by industry



Environmental Audit Results

- Emissions reductions ~4000tpy reductions in NOx/VOC in 5 years
- \$185,000 average expenditure by companies
- Approximately 5300 facilities audited to date (21% statewide)
- 3000+ new/modified NSR permits
- Company innovations include: facility consolidations, permit revisions, fence-line monitoring plans, inclusion of UAV inspections, Aircraft flyovers/monitoring, solar and electrical conversions, low/no bleed motor control and many more



Environmental Audit Shortfalls

- Statute is vague, some companies overextend goals in audit process
- Has led to a couple audit failures resulting in enforcement action
- Staffing limitations for writing permits
- Tracking of Audits is outside current database system (IMPACT)
 - IMPACT didn't originally envision Audits
 - Makes quantification of all qualities hard (only statutory requirements are tracked at this time)



Environmental Audit Future

- Will continue to be a part of WDEQ Compliance Program
- Incorporation of more facilities/companies is the goal
- Comprehensive metrics tracking improvements/review
- Long term outcome review



Questions?



Lars Lone, WDEQ Air Quality

Lars.Lone@wyo.gov

307.777.3774