

## ALARM Program – Guidance

### Credit Application Guidance

#### Overview

The ALARM program allows an Operator to earn credits that they can use to offset a portion of its annual total volume of lost gas per 19.15.27.9.B, 19.15.28.10.B NMAC. To be eligible for offset credits, an Operator must use a Division-approved ALARM monitoring technology as defined by 19.15.27.7.A and 19.15.28.7.A NMAC to identify, isolate, and repair natural gas leaks. 19.15.27.9.B.(1); 19.15.28.10.B.(1), NMAC. The Division defines ALARM technology as: “advanced leak and repair monitoring technology for detecting natural gas leaks or releases that is not required by applicable state or federal law, rule, or regulation, and which the division has approved as eligible to earn a credit against the reported volume of lost natural gas pursuant to Paragraph (4) of Subsection B of 19.15.27.9 NMAC.” 19.15.27.7.A and 19.15.28.7.A, NMAC. Credits obtained from April to December 2022 on OCD approved technologies can be applied to gas capture requirements starting in calendar year 2022 that will then be certified Feb 28, 2023.

The Division will maintain a list of approved ALARM technologies. Part 27.9.B.(5); Part 28.10.B.(5) NMAC. An Operator **cannot** earn credits against its volume of lost vented or flared natural gas for using a monitoring technology the Division has not approved for the ALARM program. Operators may file an application for offset credits after minimum qualifications for applying for a credit are met.

This guidance describes the baseline information an Operator must provide to the Division about a technology it proposes for approval as an ALARM technology. An Operator may, but is not required to, partner with a third-party technology vendor or other Operators to propose a technology for the ALARM program.

#### Credit Application

##### **General Information:**

- Operator Name and OGRID number
  - Type of company (Upstream or Midstream)
- ALARM Technology used
  - Provide ALARM technology approval ID number (Assigned when Technology is approved)
- Filing date
- Area of coverage
  - Provide a map of the program area
  - Gas Capture Area as defined in rule (Example – 19.15.27.9.A NMAC)

##### **Credit Requirements:**

- Associated dates relating to the Alarm Technology such as when it was deployed, monitored or used.
- Identify location(s) at which the leak or release was discovered using ALARM technology;
  - Wells and well API#s
  - Facilities and Facility #s
  - Natural Gas Gathering System and Facility #s
- Leak or release general information:

- Date Operator discovered the leak or release using ALARM technology.
  - Operator's certification that it did not know or have reason to know of the leak or release prior to discovery using the ALARM technology.
- Date Operator field verified leak or release.
- Date Operator isolated leak or release.
- Date Operator successfully completed repair of the leak or release.
- Volume of natural gas leaked or released for which operator is seeking credit:
  - Was volume measured or estimated?
    - What methodology did the Operator use to measure or estimate the volume of natural gas leaked or released?
- Describe actions taken to field verify, isolate, and repair the leak or release:
  - Providing more detail will improve the likelihood the Division will approve credits.
  - The Division encourages visual documentation of each step of the leak or release discovery through repair process.
  - The Division encourages third-party or other verification of the leak or release discovery, field verification, isolation, or repair, such as field notes, internal reports, or notifications provided to other parties or entities, among other relevant documentation.
- If the Operator filed a Form C-129 or C-141 for the leak or release that was discovered, provide the incident #.
- How is the Operator using ALARM technology as a routine and on-going aspect of its waste-reduction practices?
  - Continuous
  - Intermittent
    - Frequency of use