

National Tribal Air Association's Fact Sheet on EPA's Proposed Amendments to the 2016 New Source Performance Standards for the Oil and Natural Gas Industry

What are the proposed amendments?

On October 15, 2018, US Environmental Protection Agency (EPA) released a proposed rule that would amend the Oil and Natural Gas Sector: Emission Standards for New, Reconstructed, and Modified Sources published in the Federal Register on June 6, 2016.¹ The Clean Air Act §111 establishes EPA's authority to develop New Source Performance Standards (NSPS) to control emissions of air pollutants from new and modified stationary sources. In 2012, the EPA created standards for the Oil and Natural Gas industries called NSPS OOOO for Oil and Natural Gas industries. The Oil and Natural Gas industry includes a wide range of operations and equipment, from producing wells and compressors to natural gas transmission stations and pipelines as well as underground storage. The industry is a significant source of emissions of methane (CH₄), nitrogen oxides (NOx), volatile organic compounds (VOCs, which are a group of chemicals that contribute to the formation of ground-level ozone known as smog), as well as toxic compounds like benzene, ethylbenzene, and n-hexane.

In 2016, additional standards were issued by EPA, known as NSPS OOOOa. The 2016 NSPS set emissions limits for greenhouse gases and VOCs, and included additional sources not covered in 2012 NSPS OOOO. In 2017, EPA released several reconsiderations to the requirements. The 2018 proposed rule introduces amendments and clarifications to the 2017 reconsiderations on certain requirements, technical, and implementation issues from the 2016 rule. These include: 1) reduce monitoring frequency of well sites and compressor stations based on productivity, 2) extend fugitive emissions repair from 30-days to 60-days, 3) change standards for well site pneumatic pumps, 4) reduce monitoring frequency at compressor stations on Alaska North Slope, 5) remove the professional engineer certification requirement for closed vent systems to provide an option for in-house engineer to certify assessment, 6) require separate application processes for states and tribes to apply for alternative fugitive emission standards, and 7) change technologies application requirements and allow modeling results to supplement field data. According to the EPA's Regulatory Impact Analysis (RIA), these amendments are estimated to save the Oil and Natural Gas industry up to \$75 million per year in compliance costs.²

What Does this Mean for Air Quality and Air Management?

There are over 1,292,669 wells, compressors, and processors located in the United States.³ According to the Oil and Gas Threat Map, 12.6 million people live within a half mile health threat radius of these facilities.³ The map reports instances of elevated cancer and respiratory risk in 238

¹ EPA-HQ-OAR-2017-0483. <u>https://www.gpo.gov/fdsys/pkg/FR-2018-10-15/pdf/2018-20961.pdf</u>

² Regulatory Impact Analysis (RIA) for the Proposed Reconsideration of the Oil and Natural Gas Sector Emission Standards for New, Reconstructed, and Modified Sources. EPA-452/R-18-001.

³ Oil & Gas Threat Map. 2018. Accessed November 14, 2018: <u>https://oilandgasthreatmap.com/threat-map/</u>

counties in the US. The proposed changes could result in delays in leak detection for up to two years and leak repairs for up to an additional 30 days. These delays will result in an increase of methane emissions, endangering public health and contributing to climate change. Based on EPA's RIA, the proposed amendments are expected to increase emissions by 480,000 short tons of CH₄ and 120,000 tons of VOCs over a six year period.² HAP emissions are expected to increase between 4,700 total tons over the same period.² EPA expects the additional HAPs and VOCs coemitted along with CH₄ will adversely impact air quality and health of many communities. According to the EPA, CH₄ is a greenhouse gas with 25 times⁴ the global warming potential of carbon dioxide and will further exacerbate the environmental and health impacts of climate change. Toxic air pollutants, such as benzene, toluene, ethylbenzene, xylenes, and n-hexane are linked to numerous human health hazards including cancer and reproductive, developmental, and neurological damage. Similarly, VOCs contribute to smog formation, which can lead to childhood asthma attacks and even premature death.

What Does this Mean for Tribes?

There are stationary sources in the Oil and Natural Gas industry located on or near Tribal lands and Alaskan Native Villages. Tribes were not formally consulted (as per Executive Order 13175, Consultation and Coordination with Indian Tribal Governments) on the changes in the proposed rule. The proposal will affect all new or modified oil and gas sources on or near Tribal land that have leaking equipment by allowing industry to delay detecting and repairing leaks thus adversely impacting the health and welfare of Tribal communities.

Where Can I Find More Information and Submit Comments?

Read the proposed rule here: <u>https://www.federalregister.gov/documents/2018/10/15/2018-20961/oil-and-natural-gas-sector-emission-standards-for-new-reconstructed-and-modified-sources</u>

The NTAA is developing a Policy Response Kit for Tribes, including a template letter and this fact sheet. It will be posted on <u>www.ntaatribalair.org</u> under the Policy Response Kits tab. For additional information, please contact: Andy Bessler, NTAA Project Director, at Andy.Bessler@nau.edu, or (928)523-0526.

Comments must be received on or before December 17, 2018. Comments on the proposal should be identified by Docket ID No. [EPA-HQ-OAR-2017-0483] and may be submitted by one of the following methods:

- Online: Go to the Federal eRulemaking Portal: <u>http://regulations.gov/</u> and follow the online instructions.
- E-mail: Send comments by e-mail to <u>a-and-r-Docket@epa.gov</u>. Include the docket number in the subject line of the email message.
- Mail: Environmental Protection Agency, EPA Docket Center (EPA/DC), Mail Code 28221T, Attention Docket ID No. EPA-HQ-OAR-2017-0483, 1200 Pennsylvania Avenue, NW, Washington, DC 20460.

⁴ Overview of Greenhouse Gases: Methane Emissions. <u>https://www.epa.gov/ghgemissions/overview-greenhouse-gases#methane</u>