



October 6, 2022

Submitted via <http://www.regulations.gov>

Administrator Michael S. Regan
U.S. Environmental Protection Agency
EPA Docket Center
Air and Radiation Docket
Mail Code 28221T
1200 Pennsylvania Avenue NW
Washington, DC 20460

Re: Docket Id. No. EPA–HQ–OAR–2019–0424; Revisions and Confidentiality Determinations for Data Elements Under the Greenhouse Gas Reporting Rule

Dear Administrator Regan:

The Petroleum Alliance of Oklahoma (The Alliance) appreciates the opportunity to submit comments to the Environmental Protection Agency (EPA) regarding Docket Id. No. EPA–HQ–OAR–2019–0424; Revisions and Confidentiality Determinations for Data Elements Under the Greenhouse Gas Reporting Rule (Proposed Rule).

The Alliance represents more than 1,400 individuals and member companies and their tens of thousands of employees in the upstream, midstream, and downstream sectors and ventures ranging from small, family-owned businesses to large, publicly traded corporations. Our members produce, transport, process and refine the bulk of Oklahoma’s crude oil and natural gas.

Our members are committed to extracting, producing, transporting, and refining crude oil and natural gas in a safe and environmentally-sound manner. The Alliance’s members have made significant strides in reducing and/or eliminating greenhouse gas (GHG) emissions and continue to pursue technologies and innovative solutions to detect, reduce and eliminate methane emissions. Our members provide abundant, clean-burning natural gas that has enabled the United States to become the global leader in greenhouse gas emissions reductions.

I. Summary

We appreciate EPA proposing changes that clarify provisions that have been the subject of questions from reporting entities that improve the quality and consistency of the data collected, and



streamline and improve implementation; however, we have concerns about some of the existing requirements and changes provided in the Proposed Rule.

Our members are subject to 40 CFR Part 98, Subpart W (Petroleum and Natural Gas). EPA's own estimates show that 86% of the costs impacts of the Proposed Rule are associated with this Subpart W.¹ In addition, the current requirements and the Proposed Rule contain emission factors (EFs) and estimation methodologies that do not reflect actual emissions. In some instances, EFs and estimation methodologies continue to overestimate emissions from sources e.g., newly proposed pneumatic EFs.

The Inflation Reduction Act ([IRA](#)) requires EPA to revise its Greenhouse Gas Reporting Rule (GHGRR) to allow reporting entities to collect and submit empirical emission data.² Withdrawing the Proposed Rule and incorporating the IRA requirements into one rulemaking instead of two "back-to-back" rulemakings is only reasonable and appropriate. Additionally, our members have not had the opportunity to review actual rule text and comment on EPA's forthcoming New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review (NSPS OOOO a/b/c) which are integral to the GHGRR. As such, we think the Proposed Rule is premature, and we request EPA withdraw the Proposed Rule.

In addition to these comments, we support the comments submitted by the Independent Petroleum Association of America.

II. Background

On November 15, EPA published in the Federal Register its [proposed rule](#), Standards of Performance for NSPS OOOO a/b/c. EPA's proposed NSPS OOOO a/b/c rule did not include any proposed regulatory language and as such it prevented our members from providing fully informed comments. The Alliance submitted multiple [comments](#) expressing significant concerns. Additionally, our comments noted that it should not have been characterized as a "proposed rule" in which to solidify an applicability date when the rule is finalized in the future. In the NSPS OOOO a/b/c rule, EPA proposed several actions, including:

- Updating, strengthening, and expanding current requirements under CAA section 111(b) for methane and VOC emissions from new, modified, and reconstructed facilities (NSPS OOOOa),
- Establishing new limits for methane, and VOC emissions from new, modified, and reconstructed facilities that are not currently regulated under CAA section 111(b) (NSPS OOOOb), and
- Establishing the first nationwide Emissions Guidelines for States to limit methane pollution from existing designated facilities in the source category under CAA section 111(d) (NSPS OOOOc).

¹ 87 Fed. Reg. 36920 (June 21, 2022).

² Pub. L. 117-169, Sec. 60113, August 16, 2022.



EPA stated in this proposed rule, it would issue a supplemental proposal and Regulatory Impact Analysis and provide regulatory text for the proposed NSPS OOOOb (including changes to NSPS OOOOa) and NSPS OOOOc. To date we have not seen EPA's supplemental proposal; however, EPA submitted its proposed NSPS OOOO a/b/c rules to the Office of Management and Budget for review on August 15, 2022.

On June 21, 2022, EPA published its Proposed Rule revising its GHGRR, and within it, there are multiple references to NSPS OOOO a/b/c rules. As previously stated, our members have not had the opportunity to review and comment on specific text regarding the forthcoming NSPS OOOO a/b/c rules and understand how it may impact this Proposed Rule.

On August 16, President Biden signed the IRA that includes several GHG emission related requirements. IRA Section 60113 includes a provision for EPA to collect a waste emissions charge on methane emissions that exceed an applicable waste emissions threshold from an owner or operator of an applicable facility that reports more than 25,000 metric tons of carbon dioxide equivalent of greenhouse gases emitted per year pursuant to subpart W of part 98 of title 40, Code of Federal Regulations. A new section of the Clean Air Act (Section 136(h)) specifically requires EPA to amend 40 CFR Part 98 subpart W to ensure GHG charges are based on empirical data to accurately reflect the total methane emissions and waste emissions from the applicable facilities and allow owners and operators of applicable facilities to submit empirical emissions data to demonstrate the extent to which a charge is owed.

III. EPA Should Withdraw the Proposed Rule to Incorporate IRA Empirical Data Requirements

As previously stated, the IRA requires EPA to collect a waste emissions charge beginning with respect to emission reported for calendar year 2024 (report due in 2025) and for each year thereafter, and it requires EPA to amend 40 CFR Part 98 subpart W to ensure the charges are based on empirical data to accurately reflect the total methane emissions and waste emissions from the applicable facilities, and to allow owners and operators of applicable facilities to submit empirical emissions data to demonstrate the extent to which a charge is owed.

EPA states that one of its goals of the Proposed Rule is to improve the quality of data collected under the rule. It is critical that EPA withdraw and amend the Proposed Rule to allow the use of empirical data so that reporters under subpart W avoid unnecessary and excessive emission charges. Additionally, the use of empirical data instead of EFs or estimation methodologies allows operators to better monitor and manage emission reductions and/or eliminate emissions. It is unnecessary for EPA to finalize the Proposed Rule now and then shortly thereafter reopen the rule to make additional changes in accordance with the IRA. Conducting "back-to-back" rulemakings on this



issue is resource intensive for both EPA and industry. It is appropriate and reasonable for EPA to withdraw the Proposed Rule and conduct one rulemaking.

Action Requested. The Alliance requests EPA withdraw the Proposed Rule and conduct one rulemaking to incorporate empirical data required under the IRA.

IV. Comments

If EPA moves forward with the Proposed Rule, we provide the following specific comments.

a. Subpart A

Off-Ramping – EPA proposes to clarify the provisions that allow cessation of reporting or “off-ramping” due to meeting either the 15,000 metric tons of carbon dioxide equivalent (mtCO₂e) level or the 25,000 mtCO₂e level for the subsequent number of years; however, during off-ramping, reporters are required to continue to report emissions for 3 years and 5 years respectively, as specified in 40 CFR 98.2(i) based on calculated in accordance with 40 CFR 98.3(c)(4)(i). This additional reporting is resource intensive, and we question the need for this additional reporting time frame after off-ramping. EPA notes in the Proposed Rule that reporters are required to restart reporting their emissions subsequent to off-ramping if their emissions meet the reporting threshold.

Action Requested. We request EPA remove the subsequent reporting after off-ramping. At a minimum, EPA should shorten the time frames and provide detailed justification for continuing to require reporting after off-ramping.

b. Subpart C

Facilities in the Onshore Petroleum and Natural Gas Production, Onshore Petroleum and Natural Gas Gathering and Boosting, and Natural Gas Distribution industry segments calculate emissions in accordance with the provisions in 40 CFR 98.233(z) and report combustion emissions per 40 CFR 98.236(z). Reporters in other industry segments calculate and report combustion emissions under subpart C (General Stationary Fuel Combustion Sources). This is a more efficient and straightforward process for reporters.

Action Requested. We request that EPA move the combustion source calculations for the Production, Distribution, and Gathering and Boosting segments from Subpart W to Subpart C, to provide consistent combustion source reporting across all Petroleum and Natural Gas Systems and reduce the burden of reporting combustion source emissions across multiple Subparts. Consolidating combustion source calculations in Subpart C will reduce any confusion related to reporting these sources in two different subparts, especially given that each subpart references calculations and emission factors located in the other subpart. This effort should be straightforward – merely moving language from Subpart W into Subpart C, and it should not require any changes to the calculation methodology or the sources being reported.

c. Subpart W

i. References to EPA’s proposed NSPS OOOO a/b/c rules

EPA references the proposed NSPS OOOO a/b/c rules in the Proposed Rule. EPA’s proposed NSPS OOOO a/b/c rule did not include any proposed regulatory language and as such it prevented our members from providing fully informed comments. The Alliance submitted [comments](#) expressing significant concerns with that proposed rule.

Until EPA’s proposed NSPS OOOO a/b/c rules are available for review and comment, it is unclear and confusing as to how those proposed changes will impact the changes provided in this Proposed Rule. Until our members have time to review the proposed NSPS OOOO a/b/c rules, we cannot reasonably or appropriately comment on the proposed GHGRR rule without speculating or making assumptions.

Action Requested. The Alliance requests EPA to defer the Proposed Rule and allow our members to review and provide comment on the NSPS OOOO a/b/c rules before proceeding with this Proposed Rule.

ii. Natural Gas Pneumatic Device Vents

EPA is proposing amendments to subpart W to provide an alternative methodology to calculate emissions from intermittent bleed pneumatic devices based on the results of inspections or surveys. Specifically, for facilities that would be required to inspect their intermittent bleed pneumatic devices requirements under NSPS OOOOb or an approved state plan or the applicable Federal plan in 40 CFR part 62 (to the extent there are any) or facilities that elect to conduct routine monitoring surveys of their existing natural gas intermittent bleed pneumatic devices consistent with the methods in NSPS OOOOb prior to becoming subject to 40 CFR part 62, EPA is proposing to provide an alternative calculation methodology analogous to a “leaker factor” approach used for equipment leaks. Reporters using this calculation methodology would report the total number of natural gas intermittent bleed pneumatic devices at the facility, the frequency of monitoring, the number of devices found to be malfunctioning, and the average time the malfunctioning devices were malfunctioning.

EPA’s alternative calculation methodology for intermittent bleed pneumatic devices is heavily weighted on malfunctioning devices using an EF of 24.1 standard cubic feet per hour per device for malfunctioning devices. This approach also assumes that if a pneumatic device monitoring survey is conducted, and the device was found malfunctioning, it is assumed to have been



malfunctioning since the last survey. This may overestimate emissions and does not take into account the fundamental differences in design and operation of intermittent bleed pneumatic devices and as a result may not be indicative of actual emissions.

Action Requested. We request EPA allow reporters the option to conduct engineering studies to determine the best emission data for their intermittent bleed pneumatic devices that account for design and operational differences and utilize the best emission data for that source or allow the collection of actual emissions. This would allow reporters to monitor emissions and make better operational or equipment changes to reduce or eliminate those emissions.

iii. Dehydrator Vents

EPA is proposing to add new reporting requirements to 40 CFR 98.236(e)(1). The following new data elements are proposed to be added to subpart W for glycol dehydrators with an annual average daily natural gas throughput greater than or equal to 0.4 million (mm) standard cubic feet per day (scfd):

- Flash tank control technique
- Regenerator still vent control technique
- Flash tank vent gas flow rate (standard cubic feet per hour (scfh))
- Regenerator still vent gas flow rate (scfh)
- Concentrations of methane (CH₄) and CO₂ in flash tank vent gas (mole fraction)
- Concentrations of CH₄ and CO₂ in regenerator still vent gas (mole fraction)
- Type of stripping gas used
- Flow rate of stripping gas (standard cubic feet per minute (scfm))

EPA states that the proposed additional data elements are intended to allow the EPA to derive a correlation between vent flow rate and absorbent circulation rate and better characterize emissions from glycol dehydrators with an annual average daily natural gas throughput greater than or equal to 0.4 mmscfd.

We understand that there were previous requests from other organizations to develop emission factors for dehydrators with a throughput of 0.4-3 mmscfd. This request was made because at that time, it was very burdensome to perform emissions calculations on these lower flowrate dehydrators. With EPA's recent approval of using BR&E ProMax process simulation software to perform dehydrator emissions calculations, this reduces the burden of performing emission calculations on lower flowrate dehydrators; therefore, removing the need to develop the associated emission factors. Since there is no need to develop emission factors, the need for EPA's proposed additional data is unnecessary and would only serve to create additional burden.



Action Requested. We request EPA remove the additional data requirements for dehydrator vents.

iv. Liquids Unloading

EPA is proposing additional data collection requirements for non-plunger and plunger lift liquids unloading events that provide additional burdens and complexities for reporters. The calculation methodologies assume that the wellbore is full of natural gas and during the unloading event it is completely vented to the atmosphere. As previously stated, the IRA specifically requires EPA to amend 40 CFR Part 98 subpart W to ensure GHG charges are based on empirical data to accurately reflect the total methane emissions and waste emissions from the applicable facilities.

Action Requested. We request EPA allow reporters to conduct engineering studies to determine the best emission data for their sources or allow the collection of actual emissions. This would allow reporters to monitor emissions and make better operational or equipment changes to reduce or eliminate those emissions.

v. Atmospheric Storage Tanks

EPA proposes additional emission quantification requirements for storage tanks that increase the complexity and burdens on reporters. For example, EPA is proposing to require:

- The reporting of the number of controlled tanks with open or unseated thief hatches within the reporting year, as well as the total volume of gas vented through the open or unseated thief hatches,
- Account for malfunctioning dump valve emissions, and
- Provide more specific hydrocarbon composition information i.e., EPA is proposing to request the flow weighted average concentration (mole fraction) of CO₂ and CH₄ in the flash gas, rather than the minimum and maximum flash gas concentrations.

These proposed requirements will provide new and additional burdens on those entities that are not currently subject to NSPS OOOO/OOOOa requirements. In regard to the proposed hydrocarbon composition information being requested, a simpler process would be to require a straight average instead of a flow weighted average.

Action Requested. We request EPA use a straight average for the hydrocarbon composition information being proposed instead of a weighted average concentration of CO₂ and CH₄ in the flash gas.



vi. Flare Stack Emissions

EPA proposes several additional reporting requirements related to flare stack emissions e.g., flare IDs, unlit flares, sources routed to flares, type of flares and types of flare assists, etc. This additional information unnecessarily increases the complexity and burdens on reporters. We question the need for some of this data and whether it is relevant to emissions or just additional data points.

Action Requested. We request EPA provide more clarity as to the need of the additional data points and to re-evaluate its proposed additional data point collection and reporting requirements to ensure they are necessary and relevant to emissions reporting.

vii. Equipment Leak Surveys

EPA states it thinks that emissions using optical gas imaging (OGI) are understated and proposes to amend the leaker emission factors for onshore petroleum and natural gas production and onshore petroleum and natural gas gathering and boosting facilities to include separate emission factors for leaks detected with OGI.

EPA proposed in its NSPS OOOO a/b/c that owners and operators would detect leaks using an OGI-based monitoring method following proposed Appendix K to 40 CFR part 60. The Alliance submitted comments to EPA during the comment period for the proposed NSPS OOOO a/b/c rule and raised significant concerns with the use of the proposed Appendix K. Current OGI requirements help operators find and fix leaks quickly, meeting the intended goal of the program; however, the requirements in Appendix K unnecessarily complicate the process, and is onerous for operators, especially smaller oil and gas operators. The use of Appendix K will unnecessarily delay leak detection and may negatively impact the environment.

Action Requested. We request EPA maintain the current OGI requirements. The following information is an excerpt of our comments submitted to EPA on its proposed NSPS OOOO a/b/c rule regarding Appendix K.

Appendix K – EPA requests comment on the proposed Appendix K and whether the proposed training, certification, and audit provisions are appropriate and do not place undue burden on the ability of industry to satisfy the regulatory requirements. First, in EPA’s December presentation, Appendix K is written for broader applicability other than the upstream oil and natural gas sector. We do not think Appendix K should be a separate, standalone document. Future amendments to Appendix K focused on other industrial sectors may have unintended consequences on upstream oil and gas



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production operations as it relates to NSPS OOOO a/b/c rules. In addition, the proposed performance verification, development of the operating envelope, monitoring plan, verification checks, survey requirements, operator training/audits, recordkeeping, etc. are excessive. EPA is making these survey compliance requirements too complicated and onerous for all operators, especially for small oil and gas operators that have marginal/low production wells e.g., the requirements will significantly extend survey timeframes beyond what is necessary to detect fugitive emissions, will likely require the use of contract surveyors, require excessive electronic recordkeeping efforts, and increase costs excessively. Additionally, we question if there will be adequate surveyors available to all operators, especially small oil and gas operators, when needed to meet the monitoring compliance requirements of NSPS OOOO a/b/c. Finally, if EPA makes this a requirement for oil and gas operators, it should apply these same standards to any entity conducting or using such equipment for emissions monitoring surveys. We request EPA maintain the current OGI methodologies under NSPS OOOOa.

viii. Equipment Leaks by Population Count

EPA proposes to amend the population count method for onshore petroleum and natural gas production and onshore petroleum and natural gas gathering and boosting facilities using more recent study data. These proposed amendments include new population EFs that are on a per major equipment basis rather than a per component basis. By providing emission factors on a major equipment basis instead of by component, EPA would eliminate the step to estimate the number of components. However, EFs were based on studies of emission sources and other operational parameters that may not be reflective of a reporter's actual emissions.

Action Requested. The Alliance supports EPA's proposal. However, we request EPA allow reporters the option to conduct engineering studies to determine the best emission data for that source that account for design and operational differences or allow the collection of actual emissions.

ix. Other Large Release Events

EPA is proposing to add an additional emissions source, referred to as "other large release events" to capture abnormal emission events that are not fully accounted for using existing methods in subpart W, as they are not common or predictable events e.g., well blowouts, well releases, releases from failed equipment, fires or explosions. EPA states in the preamble that the proposed definition specifies that pressure relief valve releases from onshore production and onshore petroleum and natural gas gathering and boosting storage tanks would not be considered other large release events because the calculation methodology for these storage tanks currently assumes all flash gas will be



emitted. These proposed additional calculation and reporting requirements would apply to all subpart W industry segments. The new calculation requirements being proposed rely on measurement data or engineering estimates of the amount of gas released and measurement data, if available, or process knowledge (best available data) to estimate the composition of the released gas. The proposed requirement to calculate and report GHG emissions from other large release events would be limited to events that release at least 250 mtCO_{2e} per event. This is equivalent to approximately 500,000 scf of pipeline quality natural gas.

The definitions of other large release events, well blowouts, and well releases are confusing as to what events are reportable, and require additional specificity, e.g., it is unclear what short and long duration mean in these definitions. Additionally, it is unclear when emission calculations are to begin. We recommend EPA establish a 24-hour threshold whereby if an event exceeds that period, a reporter, at that time, would begin to determine if the event exceeds the 250 mtCO_{2e} release. Calculations for events occurring less than 24 hours would not be conducted or reported.

Action Requested. We request EPA provide more clarity and specificity to the definitions of large release events, well blowouts and well releases. We recommend that EPA establish a 24-hour threshold whereby events occurring less than that time are not reported and emissions are not calculated. Events exceeding 24 hours would begin emission calculations to determine when the 250 mtCO_{2e} threshold has been triggered.

x. Combustion – Methane slip from compressor engines

Facilities in the Onshore Petroleum and Natural Gas Production, Onshore Petroleum and Natural Gas Gathering and Boosting, and Natural Gas Distribution industry segments calculate emissions in accordance with the provisions in 40 CFR 98.233(z) and report combustion emissions per 40 CFR 98.236(z). Reporters in the other industry segments calculate and report combustion emissions under subpart C (General Stationary Fuel Combustion Sources).

Additionally, EPA is proposing to revise the methodologies and EFs for determining combustion emissions from compressor engines to account for combustion slip. As previously mentioned, the IRA requires EPA to revise the GHGRR to allow reporters to submit empirical emission data.

Action Requested. As previously stated in Section IV.b. above, we request that EPA move the combustion source calculations for the Production, Distribution, and Gathering and Boosting segments from Subpart W to Subpart C, to provide consistent combustion source reporting across all Petroleum and Natural Gas



Systems and reduce the burden of reporting combustion source emissions across multiple Subparts. Consolidating combustion source calculations in Subpart C will be more efficient for reporters and reduce any confusion related to reporting these sources in two different subparts, especially given that each subpart references calculations and emission factors located in the other subpart. This effort should simply require moving language from Subpart W into Subpart C, and it should not require any changes to the calculation methodology or the sources being reported.

Additionally, we request EPA allow reporters the option to conduct engineering studies to determine the best emission data for their sources or allow the collection of actual emissions. This would enable reporters to better manage its operations to reduce and/or eliminate emissions from these sources.

xi. Onshore Petroleum and Natural Gas Gathering and Boosting Compressor Stations

The EPA is proposing a definition of “compressor station” in 40 CFR 98.238 to reduce any potential reporter confusion.

Compressor station means any permanent combination of one or more compressors located on one or more contiguous or adjacent properties that are part of the onshore petroleum and natural gas gathering and boosting facility that move natural gas at increased pressure through gathering pipelines or into or out of storage.

Additionally, upstream oil and gas production operations with centralized production facilities which do not have a producing well on site but are otherwise operated the same as onshore oil and gas production sites with no compressor stations or midstream operations under the control of the operator subject to reporting, are required to report these types of facilities under gathering and boosting simply because there is not a producing well on the site. This is unnecessarily burdensome.

Action Requested. We request that EPA revise the requirement to report the count of compressor stations for facilities in the Onshore Petroleum and Natural Gas Gathering and Boosting industry segment (98.236(aa)(10)(v)) to a count of gathering and boosting stations. Using the term “compressor station” will limit EPA’s data collection effort to only those sites reported under the Gathering and Boosting industry segment that meet the definition of “compressor station”; therefore, leaving out a number of other facility types. We would also request that a definition of gathering and boosting station be added that includes booster stations, compressor stations, dehydration facilities, treating facilities, and gathering facilities.



Finally, with regard to upstream oil and gas production operations such as centralized production facilities which do not have a producing well on site, but are otherwise operated the same as onshore oil and gas production sites with no compressor stations or midstream operations under the control of the operator subject to reporting, we request that operators be allowed to report information for those operations under onshore oil and gas production instead of having to split them out into separate reports under gathering and boosting simply because there is not a producing well on the site. This would eliminate unnecessary data processing, calculations, and additional facilities in reporting.

d. Additional Request for Comment

The EPA is considering future revisions to the GHGRR to potentially expand existing source categories or develop other new source categories that would add calculation, monitoring, reporting, and recordkeeping requirements related to energy consumption. The GHGRR was authorized by the Consolidated Appropriations Act, 2008, [PL 110-161](#), 121, State. 1844, 2128. and the 2009 Appropriations Act (Consolidated Appropriations Act, 2009, [Pub. L. 110-329](#), 122 Stat. 3574-3716). The law specified mandatory reporting of greenhouse gas emissions above appropriate thresholds in all sectors of the economy of the United States. We do not think EPA has the authority to collect energy consumption emissions from all reporters. In addition, if EPA proceeds ahead with this requirement, it must provide its Congressional authority and how it will avoid duplication of data.

Action Requested. We request EPA provide detailed justification as to how the collection of energy consumption data from all reporters is consistent with the Consolidated Appropriations Act, 2008, PL 110-161, 121, State. 1844, 2128. and the 2009 Appropriations Act (Consolidated Appropriations Act, 2009, Pub. L. 110-329, 122 Stat. 3574-3716), justify the need for this information and how EPA will avoid duplication of information.

V. Conclusion

The Alliance appreciates this opportunity to provide comments to the EPA on this very important issue. If you have questions regarding these comments, please contact me at 405-601-2124.

Thank you for your consideration of these comments.

Respectfully,

Angie Burckhalter
Sr. V.P. of Regulatory & Environmental Affairs