



Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

Standards of Performance for New/Reconstructed/Modified Sources/Emissions Guidelines for Existing Sources: U.S. Environmental Protection Agency Supplemental Notice of Proposed Rulemaking for Oil/Natural Gas Sector

11/14/2022

The United States Environmental Protection Agency (“EPA”) announced a Supplemental Notice of Proposed Rulemaking to update, strengthen, and expand the standards proposed on November 15, 2021, which require reduced emissions of greenhouse gases (“GHGs”) and other air pollutants from the Crude Oil and Natural Gas source category. See EPA-HQ-OAR-2021-0317; FRL-8510-04-OAR.

EPA defines, pursuant to the 40 CFR Part 60 Clean Air Act New Source Performance Standards, the Crude Oil and Natural Gas source category as follows:

- (1) Extraction and production of crude oil and natural gas (“oil and natural gas production”),
- (2) natural gas processing,
- (3) natural gas transmission and storage, and
- (4) natural gas distribution

The EPA defines the Crude Oil and Natural Gas source category to mean:

- (1) Crude oil production, which includes the well and extends to the point of custody transfer to the crude oil transmission pipeline or any other forms of transportation; and
- (2) natural gas production, processing, transmission, and storage, which include the well and extend to, but do not include, the local distribution company custody transfer station, commonly referred to as the “city-gate.”

In the November 2021 proposal EPA proposed new standards and emission guidelines under Section 111 of the Clean Air Act which would be included in 40 CFR Part 60 at subpart OOOOb (NSPS OOOOb) and subpart OOOOc (EG OOOOc).

EPA describes the purpose of this supplemental proposed rulemaking as to strengthen, update, and expand the proposed standards for certain emission sources including:

(1) To reduce emissions from the source category more comprehensively by adding proposed standards for certain sources that were not addressed in the November 2021 proposal, revising the proposed requirements for fugitive emissions monitoring and repair, and establishing a super-emitter response program;

(2) to encourage the deployment of innovative technologies and techniques for detecting and reducing methane emissions by providing additional options for the use of advanced monitoring;

(3) to modify and refine certain elements of the proposed standards in response to concerns and information identified in an initial review of public comments on the November 2021 proposal; and

(4) to provide additional information not included in the November 2021 proposal for public comment, such as the content for the new subparts that reflects the proposed standards and emission guidelines, and details of the timelines and other requirements that apply to states as they develop state plans to implement the emission guidelines.

EPA states that since the November 2021 proposal it performed a comprehensive analysis of the available data from emission sources in the Clean Air Act Crude Oil and Natural Gas source category. It also references its review of the:

. . . latest available information on control measures and techniques to identify achievable, cost-effective measures to significantly reduce methane and VOC emissions, consistent with the requirements of section 111 of the CAA.

Specific actions encompassed by the supplemental proposal include:

- Update, strengthen, and/or expand on the standards proposed in November 2021 under CAA section 111(b) for methane and VOC emissions from new, modified, and reconstructed facilities that commenced construction, reconstruction, or modification after November 15, 2021,
- Update, strengthen, and/or expand the presumptive standards proposed in November 2021 as part of the CAA section 111(d) emission guidelines for methane emissions from existing designated facilities that commenced construction, reconstruction, or modification on or before November 15, 2021,
- And establish the implementation requirements for states to limit methane pollution from existing designated facilities in the source category under CAA section 111(d).

A link to the 504-page supplemental proposal can be found [here](#).