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Oil and Natural Gas Sector/Clean Air Act New Source Performance Standards: U.S. Environmental Protection Agency Final Rule Promulgating Revisions

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The United States Environmental Protection Agency ("EPA") in a March 12 Federal Register notice promulgated a final rule which encompassed revisions to the Clean Air Act New Source Performance Standards ("NSPS") for the oil and natural gas sector. See 83 Fed. Reg. 10628.

The revisions address a final rule EPA previously published on June 3, 2016, titled:

Oil and Natural Gas Sector: Emission Standard for New, Reconstructed, and Modified Sources ("Final Rule")

See 81 Fed. Reg. 35824.

The 2016 rule established NSPS for greenhouse gases and volatile organic compound emissions from the oil and natural gas sector. The issues addressed included fugitive emissions at well sites and compressor stations along with emissions from pneumatic pumps, certain affected facilities were required to obtain certification by a professional engineer of the closed vent system design and capacity, and any technical infeasibility determination relative to controlling pneumatic pumps at well sites.

In response to the 2016 rule EPA states that it received petitions for administrative reconsideration of the rule and certain states and industry associations sought judicial review. The agency states that the litigation is currently being held in abeyance and on April 18, 2017, a proceeding was held to reconsider certain aspects of the rule (including those related to the previously referenced requirements).

The March 12th Federal Register preamble notes that EPA received a "broad range of comments and information" as it has subsequently addressed these issues. It further cites information regarding two specific provisions of the fugitive emission requirements for which it has concluded present immediate compliance concerns:

- The requirement that delayed repairs must be completed during unscheduled or emergency vent blowdowns that occur within the 2-year repair timeframe and prior to other scheduled events, and
- 2. the monitoring survey requirements for well sites located on the Alaskan North Slope.

EPA states that the March 12th rule finalizes amendments of what it characterizes as "two narrow provisions of the requirements for the collection of fugitive emission components at well sites and compressor stations" which are identified as:

- Removing the requirement for completion of delayed repair during unscheduled or emergency bent blowdowns
- Providing separate monitoring requirements for well sites located on the Alaskan North Slope.

A copy of the Federal Register notice can be downloaded here.