



Via email: a-and-r-docket@epa.gov

August 18, 2014

Ms. Gina McCarthy
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington, D.C. 20460

Re: Comments on Oil and Natural Gas Sector: Reconsideration of Additional Provisions of New Source Performance Standards; Docket ID No. EPA-HQ-OAR-2010-0505.

Dear Administrator McCarthy:

Western Energy Alliance (the Alliance) submits the following comments on the U.S. EPA Oil and Natural Gas Sector: Reconsideration of Additional Provisions of New Source Performance Standards ("NSPS amendments"). We appreciate EPA's efforts to improve the NSPS provisions through the proposed amendments and support many of the changes, but we do seek clarification and suggest changes in some of the proposed provisions. In addition, these comments notwithstanding, the Alliance reserves all rights and defenses as a party to the ongoing litigation of these rules and administrative reconsiderations currently being held in abeyance pending resolution of the administrative reconsideration process in the U.S. Court of Appeals for the D.C. Circuit.

The Alliance represents over 480 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in the West. We represent independent companies, the majority of which are small businesses with an average of fifteen employees.

Natural Gas Well Completions

The Alliance appreciates EPA's recognition that there are multiple stages to the flowback period for well completions with respect to the separation of fluids and the ability to capture and flare gas. We support both the initial flowback and the separation flowback stages proposed in the NSPS amendments.

However, we do have concerns about the production stage definition and standards. The proposed NSPS amendments define a production stage, saying it occurs "during a well completion operation", but in reality the production stage, as described, occurs after well completion operations are done. The production stage is separate from well completions and should not be regulated under the well completion provisions of this rule. The standards in 40 CFR 60.5375(a) apply to "each well completion operation with hydraulic fracturing", but well completions do not occur during the production stage of a well. We

suggest EPA remove “during a well completion operation” from the definition of the production stage and remove 40 CFR 60.5375(a)(1)(iii).

Our concern with the production stage definition and standards stems from the rule’s prohibition of venting or flaring of gas during the production stage. It is sometimes necessary to vent or flare gas during well maintenance operations, such as liquids unloading and workovers. Wells in the production stage are covered by state, tribal, and local rules and permits, and EPA does not need to add an additional layer of regulation.

EPA has requested comment on whether the lower explosive limit (LEL) is a good and objective indicator of the point at which fluids may be routed to a separator and “separation flowback” begins. EPA is correct that some operators do use LEL meter results as one piece of data to determine when fluids can be routed to a separator during flowback, but this practice is not universal throughout the oil and natural gas industry. LEL meters can be used as an indication that gas is present but are not used as the sole determinant that a separator could operate. We suggest EPA allow flowback crews and operators the flexibility in the methods used to determine when it is safe to route fluids to a separator.

Storage Vessels

The Alliance supports EPA’s clarifications as to storage vessel affected facilities, the addition of well completion vessel standards, and the definition of “removed from service”. There is however concern among our members about the definition of “return to service”. EPA deems a storage vessel “returned to service” if

“the storage vessel affected facility is reconnected to the process, or introduced with crude oil, condensate, produced water or intermediate hydrocarbon liquids at the same location, or relocated to another location and utilized as a storage vessel for crude oil, condensate, produced water or intermediate hydrocarbons.”

We seek confirmation that applicability of storage vessels is triggered by the addition of crude oil, condensate, produced water or intermediate hydrocarbon liquids to the vessel and by the associated VOCs once moved to a new location, rather than simply by moving the vessel to a new location.

Spark Ignition Systems for Combustion Devices

The Alliance requests that the rule be modified to explicitly allow the use of electronic spark igniters as an alternative to a continuous pilot flame. For example, the Ft. Berthold Indian Reservation Federal Implementation Plan (FIP) for oil and natural gas sources allows for the use of continuous pilots or automatic spark igniters, acknowledging the difficulties with pilots. When wells have low pressures, are shut in, or weather conditions affect the pilot gas flow, there may not be enough gas to operate the pilot. A spark ignition system can then be used to ensure combustion devices are operating.

Reciprocating Compressors

The Alliance supports the NSPS amendment provisions that allow for control of rod packing vents through the use of combustion devices. We do not support the provisions requiring the same testing and monitoring of these control devices as that required for centrifugal wet seal control devices. Reciprocating compressors have far less emissions than centrifugal compressors, and the testing and monitoring requirements are quite onerous for such a small amount of VOC emissions. We suggest EPA allow the use of the same streamlined monitoring required for storage vessels for reciprocating compressors.

Leak Detection at Natural Gas Plants

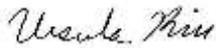
The Alliance appreciates EPA's clarification that leak detection and repair (LDAR) provisions apply only to natural gas processing plants through its proposed definition of "equipment" in 40 CFR 60.5430. We also support EPA's exemption of connectors from routine leak detection at small natural gas processing plants in 40 CFR 60.5401(d) and (e).

Affirmative Defense

The Alliance supports EPA's removal of the affirmative defense provisions in NSPS Subpart OOOO, and we agree that malfunctions should be evaluated on a case-by-case basis.

Thank you for the opportunity to comment on the proposed amendments to NSPS Subpart OOOO; we appreciate EPA's willingness to improve the rule. Please contact me at (303) 437-6763 if you have questions regarding our comments.

Sincerely,



Ursula Rick
Manager of Regulatory Affairs