



May 28, 2013

Mr. Bob Perciasepe
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Re: Comments on Oil and Natural Gas Sector: Reconsideration of Certain Provisions of New Source Performance Standards, 78 Fed.Reg. 22126 (Docket ID Number EPA-HQ-OAR-2010-0505)

Dear Mr. Perciasepe:

Western Energy Alliance submits the following comments on EPA's Oil and Natural Gas Sector: Reconsideration of Certain Provisions of New Source Performance Standards (Docket ID Number EPA-HQ-OAR-2010-0505). We appreciate the opportunity to participate in the process and support EPA's effort to address concerns with the final rule raised in our petition for administrative reconsideration.¹

Western Energy Alliance represents over 400 companies involved in all aspects of environmentally responsible extraction and production of oil and natural gas in the West. We represent independent producers, most of which are small businesses with an average of twelve employees. Our members are committed to reducing emissions from their operations and consistently employ best industry practices whether mandated by regulations or not.

Storage Vessels

Western Energy Alliance generally supports EPA's definition in the proposed rule revisions of storage vessel affected facilities as those individual vessels that have 6 tpy or more VOC emissions, considering practically and legally enforceable emission controls. This definition will decrease the administrative burden of the rule while ensuring low emissions rates.

More specifically, we seek clarification in the proposed revisions regarding temporary frac tanks used to hold process fluids during flowback operations. We agree with EPA in 60.5430 of the rule, which defines these tanks as process vessels, but we request clarification in the preamble that these tanks do not fall under the storage vessel regulation. Fluid contained in these tanks is often reused or recycled and is inherent to the flowback and fracturing process. Additionally, EPA indicated in the preamble to the original rule and to the proposed revisions that their intent was to regulate "[c]rude oil,

¹ Western Energy Alliance [Petition for Administrative Reconsideration](#) of the Final Rule for Oil and Natural Gas Sector: New Source Performance Standards and National Emissions Standards for Hazardous Air Pollutants, Oct. 15, 2012.

condensate and produced water [that] are typically stored in fixed-roof storage vessels.” 76 Fed. Reg. 52763. EPA further indicated that their “intent was to regulate only certain storage vessels (i.e., those storage vessels that may likely emit VOC emissions), not every container”. 78 Fed. Reg. 22132. Open top “frac tank” process vessels are neither fixed roof nor likely to emit significant amounts of VOC emissions and should not be included in the regulated group of storage vessels intended to be covered by this rule.²

Controls

Western Energy Alliance requests that EPA consider a longer timeframe to determine VOC emissions, as 30 days may be too short. Production rates and well characteristics are often not well understood until after 60 days of production. For example, there could still be flowback fluids within this 30 day timeframe and inclement weather can hinder the amount of data available to estimate emissions. Requiring the evaluation of controls within 30 days could result in improper design of a control device and could lead to excess emissions from supplemental make-up fuel or from the inability of the control device to handle a larger volume of waste gas. We believe 60 days is a more appropriate time to understand emissions and we recommend 90 days to install controls.

We support the rule revisions that allow the removal of controls at such time that production and associated emissions decline to below the control threshold. We believe EPA should reconsider its threshold of less than 4 tpy for 12 months for removing controls. Wells experience natural production decline and rarely increase in production or emissions. Given the natural decline of emissions from existing wells, 6 months, rather than 12 months, is a sufficient time to monitor emissions and ensure that they have not increased to above the control threshold of 6 tpy. Thus we request the threshold for control removal be revised to less than 6 tpy VOC for 6 months.

Streamlined Monitoring

We support EPA’s adoption of streamlined compliance monitoring during the reconsideration period. Streamlined monitoring reduces the burden to operators while maintaining the emission reduction targets of the rule, which is especially important to small, independent operators. We encourage EPA to make the streamlined compliance monitoring requirements permanent in the final rule rather than just during the reconsideration period.

Western Energy Alliance supports the permanent removal of the monthly 2 hour Method 22 monitoring, site-specific emission testing requirements, Method 21 closed vent system no detectable emissions monitoring, and the continuous parameter monitoring system requirements. These monitoring requirements were particularly onerous for small, independent operators that cannot afford the number of employees-hours required to travel to distant well sites with such high frequency. We suggest EPA consider a “smoke/no smoke” test whenever personnel are at a well site. If smoke is visible, then require Method 22 monitoring for 15 minutes. This would meet the goal of proper

² EPA also indicated this in a [letter](#) to the American Petroleum Institute (API) on Sept. 28, 2012.

monitoring of emissions without requiring such a large amount of human and capital resources.

Rule Timing

Western Energy Alliance supports the phased in approach to storage vessel control requirements and the proposed control installation date of April 15, 2014. We believe that this provides control device manufacturers and operators with enough time to obtain and install any necessary controls.

Finally, we support EPA's extension of the reporting deadline to 90 days past the end of the compliance period. Production, monitoring, and other operational data are typically not available for at least 60 days after the close of the month, so 90 days are necessary in order to compile and verify the report.

Once again, we thank EPA for proposing revisions to the New Source Performance Standards for Oil and Gas, and we support many of the proposed revisions. We hope EPA will continue to work with those affected by the rule and take into consideration our suggestions for making the rule more efficient.

Sincerely,



Kathleen M. Sgamma
VP, Government & Public Affairs