



ASSISTANT ADMINISTRATOR FOR AIR AND RADIATION

WASHINGTON, D.C. 20460

December 19, 2024

Ms. Sarah Miller
President and Chief Executive Officer
GPA Midstream Association

Via Electronic Mail: aflynn@mcguirewoods.com

Dear Ms. Miller:

This letter concerns a portion of the petition for reconsideration of the Final Rule “Greenhouse Gas Reporting Rule: Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems.” 89 Fed. Reg. 42,062 (May 14, 2024) that was submitted by GPA Midstream Association on July 12, 2024, pursuant to Clean Air Act (CAA) section 307(d)(7)(B). Three of the issues raised in the petition are related to (1) the calculation methodology for crankcase methane emissions using Eq. W-45, (2) the requirement to measure rod packing emissions for reciprocating compressors, including those that elect to replace rod packing on or before 8,760 hours of operation pursuant to 40 CFR 60.5385b(d)(3), and (3) clarification on how to prevent double-counting combustion emissions pursuant to the Other Large Release Event provisions. Without making a determination as to whether these three issues meet the criteria for reconsideration under CAA section 307(d)(7)(B), the U.S. Environmental Protection Agency (EPA) intends to issue a Federal Register notice initiating a rulemaking process, including public notice and comment, on these issues. At this time, we are not responding to the other issues raised in the petition, which we are continuing to review. Regarding the third issue, we also note that in the Final Rule for Waste Emissions Charge for Petroleum and Natural Gas Systems: Procedures for Facilitating Compliance, Including Netting and Exemptions 89 Fed. Reg. 91,094 (November, 18, 2024), provisions were added to ensure that any double-counted combustion emissions due to reporting of an Other Large Release Event associated with a combustion source, which we expect to be rare, are removed prior to calculating any applicable waste emissions charge.

Separate from the three issues identified above, the EPA is also taking the opportunity in this letter to provide guidance in response to a potential misinterpretation of the regulations by GPA in your letter, regarding which liquid throughput quantities in 40 CFR 98.236(aa) must be measured via flow meters. Beginning on January 1, 2025, 40 CFR 98.236(aa) requires that the information specified in paragraphs (aa)(1) through (11) must be determined using a flow meter that meets the requirements of §98.234(b) for quantities that are sent to sale or through the facility. All other quantities required by (aa)(1) through (11) are required to be determined using best available data. There are four liquid throughput quantities in 40 CFR 98.236(aa) that are specified as sent to sale or through the facility:

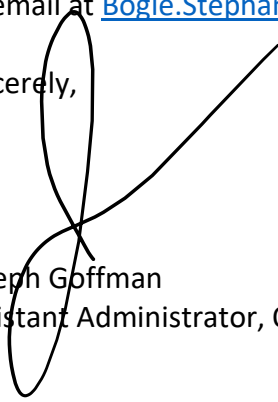
- 40 CFR 98.236(aa)(1)(i)(C): For onshore petroleum and natural gas production, the quantity of crude oil and condensate produced from producing wells that is sent to sale in the calendar year, in barrels.
- 40 CFR 98.236(aa)(1)(iii)(D): For each well permanently shut-in and plugged during the calendar year in an onshore petroleum and natural gas production facility, the quantity of crude oil and condensate produced that is sent to sale in the calendar year, in barrels.
- 40 CFR 98.236(aa)(2)(ii): For offshore production, the quantity of crude oil and condensate produced from producing wells that is sent to sale in the calendar year, in barrels.
- 40 CFR 98.236(aa)(2)(iv) For each well permanently shut-in and plugged during the calendar year in an offshore production facility, the quantity of crude oil and condensate produced that is sent to sale in the calendar year, in barrels.

All other liquid throughput quantities are considered “other quantities” and may be determined using best available data. We have also recently updated our Frequently Asked Questions to provide additional clarification on the Final Rule. Please see our page on Frequently Asked Questions on subpart W at <https://ccdsupport.com/confluence/display/faq/Subpart+W.+Petroleum+and+Natural+Gas+Systems> for more information.

We also note that EPA issued a Corrections Notice “Greenhouse Gas Reporting Rule: Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Correction” 89 Fed. Reg. 71,838 (September 4, 2024), which included a correction to the requirements that reporters should follow based on how the glycol dehydrator is controlled in 98.233(e).

We thank you for your continuing interest in this rule, and we look forward to hearing from you during the upcoming rulemaking process on the three issues. If you have any questions regarding this letter, please contact Stephanie Bogle at 202-343-9179 or by email at Bogle.Stephanie@epa.gov.

Sincerely,



Joseph Goffman
Assistant Administrator, Office of Air and Radiation

cc: Andrea Carrillo, EPA Office of General Counsel, Air and Radiation Law Office
Paul Gunning, EPA Office of Air and Radiation, Office of Atmospheric Protection