

EPA'S DRAFT INFORMATION COLLECTION REQUEST

WHAT IS THE DRAFT ICR?

On May 12, 2016, the Environmental Protection Agency (EPA) issued a draft Information Collection Request (ICR) intended for onshore oil and natural gas companies. An ICR is a formal data and information collecting process that the EPA uses to gather information. Rather than the EPA releasing a final ICR that industry is required to comply with, the EPA has released a draft ICR and is seeking public comment prior to creating the final ICR. The intent of this ICR is to provide information needed to develop new regulations to reduce methane emissions from the onshore oil and natural gas industry.

WHY DOES THE EPA NEED MORE INFORMATION?

The EPA has assessed that the oil and gas industry as a whole is the largest industrial

emitter of methane in the U.S. As a result, EPA has taken steps to address this and fulfill the Obama Administration's action plan to reduce methane emissions. These steps include issuing New Source Performance Standards (NSPS) that target reducing methane and smog-forming volatile organic compounds (VOC) emissions under 40 CFR part 60 subpart OOOOa. [Click here](#) for more information about OOOOa. However, these standards only apply to new, modified, and reconstructed sources in the oil and natural gas industry.

The proposed ICR would be directed towards amending Section 111(d) of the Clean Air Act (CAA) to create performance standards that apply to not only new, modified, and reconstructed sources, but all existing oil and gas emission sources. EPA is pursuing this avenue after reviewing a wide range

of data from EPA's [Greenhouse Gas Reporting Program](#) (GHGRP), government studies, industry industry research and more. During this review, it was discovered that existing methane emissions sources (which are not covered by the NSPS) are higher than anticipated.

WHAT DATA/INFORMATION IS THE EPA SEEKING?

The Draft ICR will consist of two parts, the Operator Survey, and a Detailed Facility Survey. Part 1, the Operator Survey, can be thought of as an equipment survey. The Operator Survey seeks company specific information to better understand the number and types of facilities a company may own and operate, and the types and numbers of equipment used on-site. Part 1 is expected to be sent to all known operators of oil and gas production wells, and requires certification by owner or operator that the data is accurate and complete. It may be submitted electronically or by hard copy.

Part 2, the Detailed Facility Survey, will comprise of more unit specific information and information pertaining to emission controls. It will also include gas venting data including blowdown activities, maintenance work, and tank flashing. Part 2 is not limited to well production facilities. It will be sent to a number of select oil and gas facilities including production, gas gathering and boosting, processing, etc. Facilities are expected to have the majority of the information requested; however, information must be based on component

equipment counts or measurement data. Should this not be available, companies are required to collect this via surveys/measurements. Part 2 must be submitted electronically (via the EPA's [Electronic Greenhouse Gas Reporting Tool](#)).

Note that the Draft ICR was not designed for owners/operators to duplicate data already reported via federal programs like the Greenhouse Gas Reporting Program. Facilities selected to complete Part 2, are not required to complete the equipment count portion of Part 1. Facilities selected to complete only Part 1 must include equipment counts.

WHO WILL BE CHOSEN TO COMPLETE PART 2 ICR?

The EPA has not yet defined how facilities will be selected for the Part 2 ICR. The goal is to use categories to separate facilities and then choose a statistically significant number of facilities within each category, based on the current population of facilities. For categories, the EPA presents two options. Option 1 is to use well types (i.e. heavy/light oil, wet/dry gas, coal bed methane) and gas oil ratios (GOR). The distinction between wet and dry gas wells is intended to gain information on the VOC content associated with wet gas. Option 2 would involve choosing facilities for Type 2 ICR based on their regional basins. The American Association of Petroleum Geologists defines a number of basins (geological provinces) such as East: Basins 100-190, South: Basins 200 – 290 and Basin 400, etc.

The anticipated cost for the entire industry to complete Part 1 and 2 has been estimated by the EPA at 227,923 hours and \$40,149,494. This estimation assumes 5.2 hours for Part 1 and 32.9 hours for Part 2 for each facility.

WHEN?

Once the draft ICR is finalized, EPA will issue letters requesting facility owners/operators to complete the ICR. They anticipate an issue date of October 30, 2016, and industry is legally required to respond within the given deadlines. The Part 1 Operational Survey must be completed within 30 days of receipt, and the Part 2 Detailed Facility Survey must be completed within 120 days of receipt.

COMMENTS

Following issuance of the first draft ICR, the public will have through August 2, 2016 to comment. Based upon public comments, EPA will create the second draft ICR, which the public will have 30 days to review. To comment on the first draft ICR, follow this link <https://www.regulations.gov/> and enter the Docket ID number EPA-HQ-OAR-2016-0204 into the search bar. Use the Comment Now button and follow the instructions to submit a comment.

FURTHER INFORMATION

If you would like further information pertaining to this draft ICR, or have any other air related regulatory needs, please contact Jay Christopher or Calvin Niss with Trihydro at 800-359-0251.

- To view the Draft ICR and survey questions for Part 1 and Part 2, visit <https://www3.epa.gov/airquality/oilandgas/methane.html>
- For New Source Performance Standards information pertaining to new, modified and reconstructed sources, visit <https://www3.epa.gov/airquality/oilandgas/actions.html>



Jay Christopher

Business Unit Manager
Air Quality & Process Management
jchristopher@trihydro.com



Calvin Niss

Business Unit Leader
Air Quality & Process Management
cniss@trihydro.com

1-800-359-0251 • trihydro.com