

Publications

Oil and Gas Alert: U.S. EPA Amends New Source Performance Standards for Oil and Gas Industry

Related Professionals

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On August 13, 2020, U.S. EPA issued two final rules amending the 2012 and 2016 New Source Performance Standards (NSPS) for the Oil and Natural Gas Industry. The first rule makes policy amendments to the 2012 NSPS, 40 CFR Part 60, Subpart OOOO, and the 2016 NSPS, 40 CFR Part 60, Subpart OOOOa, (the Policy Amendments); the second rule makes technical amendments to the 2016 NSPS (the Technical Amendments).

The Policy Amendments remove the transmission and storage segment from the regulated “source category” under Subpart OOOO and Subpart OOOOa. In doing so, U.S. EPA rescinded all NSPS requirements applicable to the transmission and storage segment. Additionally, the Policy Amendments recognize that controls used to reduce VOC emissions also reduce methane emissions and, thus, rescind the methane standards for the production and processing segments of the oil and gas industry.

The Technical Amendments address several issues raised in petitions for reconsideration of NSPS Subpart OOOOa. Notably, the Technical Amendments reduce the regulatory burden associated with multiple aspects of the NSPS, including the following:

- Exempting qualifying low-production wells from fugitive emissions monitoring requirements, and reducing the frequency of fugitive monitoring from quarterly to semi-annually for gathering and boosting compressor stations;
- Incorporating state fugitive emissions standards for well sites and compressor stations in certain states, including Ohio;
- Providing authorization to utilize additional methods of monitoring to demonstrate pneumatic pumps are operating with no detectable emissions; and
- Establishing separate criteria for calculating potential VOC emissions from individual storage tanks that part of a controlled tank battery.

Click [here](#) for a pre-publication version of the Policy Amendments, and click [here](#) for a pre-publication version of the Technical Amendments. The Policy Amendments and the Technical Amendments become effective on the date of publication in the Federal Register. Combined, the final rules are expected to save the oil and gas industry millions of dollars in compliance costs each year.