



*Midstream's Greatest Resource*

July 23, 2014

U.S. Environmental Protection Agency

EPA Docket Center (EPA/DC)

Mail code 28221T

**Attention: Docket ID No. EPA-HQ-OAR-2014-0410**

1200 Pennsylvania Ave., NW

Washington, D.C. 20460

**Re:** Comments of the Gas Processors Association Regarding the Notice, "Greenhouse Gas Reporting Program: Publication of Aggregated Greenhouse Gas Data", 79 Fed. Reg. 32,948 (June 9, 2014)

Dear:

The Gas Processors Association (GPA) appreciates this opportunity to submit comments on proposed General Permits and Permits by Rule for the Federal Minor New Source Review Program in Indian Country, published at 79 Federal Register 2546 (January 14, 2014). The Proposed Rule notice summary indicates that the proposal is intended to address changes to the Indian Country Minor New Source Review (NSR) Rule.

GPA is a non-profit trade organization made up of approximately 130 corporate members, all of whom are engaged in the processing of natural gas into merchantable pipeline gas, or in the manufacture, transportation, or further processing of liquid products from natural gas. GPA's membership accounts for approximately 92% of all natural gas liquids produced by the midstream energy sector in the United States. Our members also produce, gather, transmit, and market natural gas and natural gas liquids, and include a number of Canadian and international companies that produce natural gas liquids on a global scale. Members have significant natural gas operations located within Indian Country covered by this rule and will be directly impacted by the Proposed Rule.

**General Comments**

Future aggregation efforts should be subject to a similar notice and comment period

EPA states, "*The EPA plans to apply these criteria to the specific list of data elements included in the memorandum titled 'Publication of Certain Aggregated Greenhouse Gas Data'*"

Gas Processors Association • 6526 E. 60<sup>th</sup> St. • Tulsa, OK 74145

Phone (918) 493-3872 • Fax (918) 493-3875

[www.GPAGlobal.org](http://www.GPAGlobal.org)

*associated with this Federal Register notice and to future data aggregation efforts. Over time, the EPA may identify additional data that would be useful to publish, and plans to use these criteria as a basis for this aggregation... We would not necessarily publish additional Federal Register notices concerning publication of additional aggregated values.”*

We cannot provide comment on whether these criteria are acceptable for any “future data aggregation efforts.” EPA presents two different criteria (one for national or regional level aggregation and one for corporate level aggregation), and EPA provides no indication of which criteria future data elements would be evaluated against. Therefore, we can only provide analysis and comment on the specific data elements coupled with the specific aggregation level (i.e., criteria) that is presented in the supplementary memo. Any future aggregation efforts should be subject to a similar notice and comment process so that the appropriateness of the criteria and publication of aggregated data can be evaluated.

#### Individual reporter notification should include communication through e-GGRT

EPA states that, *“The EPA will then individually notify each affected reporter (in writing and in a manner providing confirmation of receipt, as specified under the EPA’s CBI regulations at 40 CFR 2.204(e)(1)) about which of that reporter’s data elements the EPA intends to aggregate and the intended level of aggregation.”*

EPA should use e-GGRT (at the very least) for this communication. All communications between EPA and reporters regarding reported data has been via e-GGRT, and we encourage the use of this efficient and effective means of communication. Especially given the short timeframe for a reporter to file for judicial review (10 days), paper communications (which tend to get misdirected within large and geographically disperse corporations) may not be routed to the appropriate company representative within the 10 day window.

#### EPA should further explain the theory behind the undisclosed x, y, and z percentage values

In the interest of protecting CBI data, we understand EPA’s withholding of the percentage values it intends to use for the terms “x”, “y”, and “z” described in the notice. However, doing so fundamentally undermines a commenter’s ability to suggest or imagine scenarios where disclosure of aggregated data could risk confidentiality. We do not necessarily advocate for those values to be disclosed; we simply request that EPA further explains the theory and logic behind this methodology. Specifically, we inquire if this type of methodology has been proven successful with other agencies or groups which aggregate data (such as EIA).

### **Subpart MM**

#### CO2 associated with each product must be fairly represented to the public

In the memo, EPA includes the data elements, “CO2 associated with each product in table MM-1 that is imported” and “CO2 associated with each product in table MM-1 that is exported”. We remind EPA of their statement in the preamble of the final rule, *“In response to comments that collecting data on products with potentially non-emissive uses will overestimate*

*actual emissions released into the atmosphere, EPA has and will continue to characterize CO2 emissions data reported under 40 CFR part 98, subpart MM as emissions that would result from the complete combustion or oxidation of the reported product(s) and not as actual emissions” (74 FR 56344). As discussed fully in that preamble, many of the volumes reported under subpart MM will have non-emissive uses, and EPA should caveat these data elements accordingly, as promised.*

Align data element descriptions with the rule

Table 1 in the memo contains data element descriptions that do not align with the language in the rule. It may be that some information was lost in an effort to create a concise table. However, we point this out to ensure that EPA accurately characterizes the aggregated data (in other words, EPA cannot represent the aggregated data as something different than what was reported). Appropriate edits to Table 1 are:

98.396(b)(2) Volume or mass of each product listed in Table MM-1 imported

98.396(c)(2) Volume or mass of each product listed in Table MM-1 exported

**Subpart NN**

Align data element descriptions with the rule

Table 1 in the memo contains data element descriptions that do not align with the language in the rule. It may be that some information was lost in an effort to create a concise table. However, we point this out to ensure that EPA accurately characterizes the aggregated data (in other words, EPA cannot represent the aggregated data as something different than what was reported). Additionally, some of the citations are incorrect. Appropriate edits to Table 1 are:

98.406(a)(6) ~~National Annual~~ CO2 value associated with NGL Supply (across all 5 NGLs)

98.406(a)(7) ~~National Annual~~ CO2 value associated with each of the 5 NGLs (ethane, propane, butane, isobutane, pentanes plus) supplied minus the amount received

98.406(a)(1) ~~National Annual~~ quantity of each of the 5 NGLs supplied to downstream facilities

98.406(a)(2) ~~National Annual~~ quantity of each of the 5 NGLs received for processing from other NGL fractionators

98.406(a)(3) Annual Volume of natural gas received for processing

98.406(a)(4)(~~i~~) **Volume Annual quantity of y-grade, o-grade, and other** bulk NGLs received **for processing**

98.406(a)(5) **Volume Annual quantity** of propane odorized and delivered to others

98.406(a)(~~4~~)(4)(ii) **Annual Quantity of y-grade, o-grade, and other** bulk NGLs supplied **to downstream users that are not fractionated by the reporter**

## Subpart PP

### The term “product” is unclear

EPA states that, *“The EPA intends to aggregate these data, in units of carbon dioxide equivalent, **across products or product types** at the corporate level to increase transparency by providing the general public with the total potential GHG emissions associated with industrial gases supplied into the economy by each reporting corporation and to provide the ability to track how this quantity changes over time”* (emphasis added). EPA’s criteria 1b, 2b, and 4b are related to the amount and type of “products” that are reported.

In the case of Subpart PP, which EPA seems to indicate may be subject to this set of criteria, it is unclear what the term “product” means. All reporting is related to CO<sub>2</sub> streams. There are no “products” to speak of, so we are unsure how this criteria set can be applied to Subpart PP. We request clarification from EPA.

### The aggregation level for Subpart PP data elements is unclear

The notice indicates that Subpart PP will be included in the Corporate Level aggregation (see “2. *Criteria for Aggregating Supplier Data at the Corporate Level in Subparts OO, PP, and QQ*”). However, in the memo, none of the Subpart PP data elements have a “corporate level” aggregation level. We request clarification from EPA.

### The aggregation level of “natural dome” is unexplained and its origin is unknown

The memo indicates that one data element “CO<sub>2</sub> transferred...” will be published “by natural dome”. There are two issues with this. First, this notice does not propose any methods for aggregation on a “dome” level, so we cannot evaluate if the aggregation methodology is appropriate. Additionally, it is unclear what “by natural dome” even means, as there is no reporting element in Subpart PP that refers to “natural domes”. In fact, the terms “dome” and “natural dome” are never used anywhere in Subpart PP.

### CO<sub>2</sub> that is injected underground must be represented appropriately

Many midstream operators report under Subpart PP when they collect and dispose of CO<sub>2</sub> gas underground via acid gas injection wells (in this scenario, this stream is also reported under Subpart UU). This gas is not used for enhanced oil or natural gas recovery. This data would be reported under reporting element 98.426(f)(13). EPA should ensure that this data is

represented appropriately, and that this CO2 is not represented as being “supplied into the economy” as this may give the impression that a corporation’s (or industry’s) emissions are much higher than they actually are. We remind EPA of their statement in the preamble of the final rule, “EPA did not intend to characterize all CO2 supplied to the economy as emissions and recognizes that there are a variety of applications for CO2, both emissive and nonemissive” (74 FR 56350).

Align data element descriptions with the rule

Table 1 in the memo contains data element descriptions that do not clearly align with the language in the rule. It may be that some information was lost in an effort to create a concise table. However, we point this out to ensure that EPA accurately characterizes the aggregated data (in other words, EPA cannot represent the aggregated data as something different than what was reported).

For the first category “CO2 Supplied by CO2 Capture facilities”, we assume this is limited to CO2 described in 98.422(a) (Mass of CO2 captured from production process units), and that this *does not* include CO2 described in 98.422(b) (Mass of CO2 extracted from CO2 production wells).

We note that if a reporter uses flow meter(s) (regardless of whether they use containers and regardless if the CO2 is imported or exported), the reporter may report under 98.426(a), 98.426(b), *or* 98.426(c), depending on the type and configuration of the flow meter(s). Additionally, we note that if a reporter imports or exports, they may report under 98.426(a), 98.426(b), 98.246(c), or 98.426(d) depending on the type and configuration of the flow meter(s) (if applicable) and on whether containers were used.

Suggested edits to Table 1 are:

<b>98.426(a)(1)</b>	CO2 Supplied by CO2 Capture Facilities
<b>98.426(b)(1)</b>	
98.426(c)(1)	
<b>98.426(c)(2)(iii)</b>	
98.426(a)(1),	CO2 Imported
98.426(b)(1),	
<b>98.426(c)(1),</b>	
<b>98.426(c)(2)(iii),</b>	
98.426(d)	
98.426(f)	CO2 transferred to the following applications: food and beverage, <b><u>industrial and</u></b> municipal water/wastewater, metal fabrication, <b><u>greenhouse uses for</u></b> plant growth, fumigants <b><u>and herbicides</u></b> , pulp and paper <del>mills</del> , cleaning and solvent use, fire fighting, <b><u>transportation and</u></b> storage of explosives, enhanced oil and natural gas recovery <b><u>that is covered by subpart UU, long-term storage geologic sequestration of carbon dioxide that is covered by subpart RR</u></b> , research and development, other uses
98.426(a)(1),	CO2 Exported

98.426(b)(1),  
**98.426(c)(1),**  
**98.426(c)(2)(iii),**  
98.426(d)

GPA very much appreciates your consideration of our comments on the Proposed Rule. We offer our assistance as EPA considers public comments and revises the rule for final publication.

Sincerely,

A handwritten signature in black ink that reads "Jeff Applekamp". The signature is written in a cursive, flowing style.

Jeff Applekamp  
Vice President of Government Affairs  
Gas Processors Association