



*Midstream's Greatest Resource*

February 19, 2015

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Ms. Gina McCarthy  
Office of the Administrator  
U.S. Environmental Protection Agency  
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**RE: Petition for Administrative Reconsideration and an Administrative Stay Pending Reconsideration of Targeted Elements of EPA's Revised Rule "Oil and Natural Gas Sector: New Source Performance Standards," 79 Fed. Reg. 79,018 (Dec. 31, 2014); Docket ID No. EPA-HQ-OAR-2010-0505**

Dear Administrator McCarthy:

The Gas Processors Association ("GPA") hereby requests that the U.S. Environmental Protection Agency ("EPA" or "Agency") reconsider certain aspects of the final rule entitled "*Oil and Natural Gas Sector: Reconsideration of Additional Provisions of New Source Performance Standards, Final Rule*," Docket ID No. EPA-HQ-OAR-2010-0505, 79 Fed. Reg. 79,018 (Dec. 31, 2014) ("O&G Rule"). Pursuant to section 307(d)(7)(B) of the Clean Air Act ("CAA"), 42 U.S.C. § 7607(d)(7)(B), where it is impracticable to raise an objection during the period of public comment on a rulemaking or if the grounds for such an objection arise after the public comment period (but within the time specified for judicial review), and if such objections are of central relevance to the outcome of the rule, EPA is required to reconsider the rule. In addition, EPA is authorized to stay the effectiveness of a rule (or, in this case, specific elements of the final rule) during reconsideration for up to three months. GPA's Petition for Reconsideration and Stay is timely.

GPA has served the U.S. energy industry since 1921 as an incorporated non-profit trade association. GPA is composed of 112 corporate members that are engaged in the gathering and processing of natural gas into merchantable pipeline gas, commonly referred to in the industry

as “midstream activities.” Such processing includes the removal of impurities from the raw gas stream produced at the wellhead, as well as the extraction for sale of natural gas liquid products (“NGLs”) such as ethane, propane, butane and natural gasoline. GPA members account for more than 90 percent of the NGLs produced in the United States from natural gas processing. As such, our membership is significantly impacted by the actions of the O&G Rule.

GPA appreciates the efforts EPA has undertaken to address many issues of concern that we identified in the New Source Performance Standards (“NSPS”) Subpart OOOO rules through GPA’s public comments. Specific to this Petition for Reconsideration of the O&G Rule are the revisions to the definition of “storage vessel” that appears to be connected to revisions that would clarify and address the requirements for storage vessels that are taken out of service and returned to service (40 C.F.R. § 60.5365(e)(4)). We believe the O&G Rule revisions do help clarify the rule’s applicability to storage vessels that are removed from and returned to service.

However, this rule revision includes language regarding storage tanks “installed in parallel” and “connected in parallel” that significantly and adversely impacts the applicability of the rule requirements to storage vessels. The “installed in parallel” language is included in 40 C.F.R. § 60.5365(e)(4) and the “connected in parallel” language is included in the definition of storage vessel under 40 C.F.R. § 60.5430 of the O&G Rule. The specific language added to the definition of storage vessel of most concern is “[t]wo or more storage vessels connected in parallel are considered equivalent to a single storage vessel with throughput equal to the total throughput of the storage vessels connected in parallel.” Under this language, multiple parallel storage vessels become subject to a collective 6 ton-per-year volatile organic compound (“VOC”) applicability threshold as opposed to the singular 6 ton-per-year-VOC-per-year-per-storage-vessel applicability threshold under the original rule (and proposed rule revisions). This significantly changes how affected facility status is evaluated.

Additionally, for GPA member companies, it is quite common for multiple storage vessels to be situated next to each other and connected in parallel. Sometimes the storage vessels are operated in parallel, sometimes they are operated in series, and sometimes they are operated one-at-a-time with the connecting valves closed. This configuration has existed for decades at gathering and boosting compressor stations and gas plants. Thus, this revised language potentially has large impacts to how our members evaluate affected facility status. Compounding this potentially large shift in how affected facility status is evaluated is the use of the word “connected” instead of “operated.” It is quite common for tanks that are connected in parallel to be operated independently (with their own throughput tracking, emission points, etc.). The connecting line(s) between vessels would be closed.

GPA is petitioning for reconsideration because the “in parallel” language addressed above was not included in the proposed rule revisions published in 79 Fed. Reg. 41,752 (Jul. 17, 2014). As such, GPA and affected industry members did not have the opportunity to review or comment on these rule revisions, which would have a significant impact on operations.

In addition to granting GPA’s Petition for Reconsideration on these issues, we also request that the Agency stay the effectiveness of the standards for storage vessel affected facilities during

the pendency of reconsideration. A stay is needed and warranted because the O&G Rule became effective and applicable without prior notice to the industry members.

Thank you for your attention to this matter. If you have any questions or need additional information please do not hesitate to contact me. We look forward to hearing from you.

Sincerely,

/s/ Matthew Hitte

Matthew Hitte

Vice President of Government Affairs

Cc:

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