Agenda

- Update on the Clean Power Plan
- Tailoring Rule
- GHGs and the Oil and Gas Industry
- The Methane Challenge Program
Clean Power Plan (CPP) timeline

- October 23, 2015 – CPP published in Federal Register
- February 9, 2016 – Stayed by SCOTUS
- September 27, 2016 – Oral Arguments at D.C. Circuit
- March 28, 2017 – President Trump Executive Order to EPA
CPP Proposed Repeal cont.

- October 16, 2017 Federal Register notice
  - “Under the interpretation proposed in this notice, the CPP exceeds the EPA’s statutory authority and would be repealed.”
- Repeal is based entirely on a legal assessment
- Notice repeatedly refers to a “best system of emission reduction” that is:
  - “applicable at and to an individual source”
  - “can be applied to or at a single source”
  - “can be employed to, for, or at a particular source”
• Proposed repeal does not contain replacement provisions

• Does reference an intent to issue an Advance Notice of Proposed Rulemaking (ANPRM) in the near future.

• The Endangerment Finding
  • Footnote comment that the 2009 GHG Endangerment Finding is not at issue
Next steps
- Comment period extended to January 16, 2018
- Public Hearing on November 28 – 29

CPP Proposed Repeal does not affect the §111(b) standards for Electric Utility Generating Units
Tailoring Rule

- **UARG v. EPA** – June 23, 2014, SCOTUS
- **Coalition for Responsible Regulation, Inc. v. EPA** – April 10, 2015, D.C. Circuit

- EPA may not treat GHGs as an air pollutant for purposes of determining whether a source is “major” for purposes of obtaining a PSD or Title V permit
  - But EPA may regulate GHG emissions via BACT if that source has emissions otherwise requiring those permits

- EPA Oct 3, 2016 proposed rule to establish a GHG Significant Emission Rate (SER)
  - No action on this proposed rulemaking
GHGs and the Oil and Gas Industry

- 2016 Oil and Gas New Source Performance Standards for New, Reconstructed, and Modified Sources

- NSPS OOOOa – June 3, 2016
  - Expanded existing NSPS OOOO by requiring methane reductions from both previously subject sources and established methane and VOC standards from equipment not previously subject to NSPS OOOO
April 4, 2017 – EPA announces it is reviewing the 2016 Oil and Gas NSPS and, if appropriate, will initiate reconsideration proceedings to suspend, revise or rescind this rule.

Based on President Trump’s March 28, 2017 E.O.

- “...are appropriately grounded in statutory authority...”
- “...appropriately promote cooperative federalism...”
- “...maintain the diversity of reliable energy resources...”
EPA Methane Challenge

- Voluntary program developed by EPA with industry stakeholder participation
  - “... provides a platform for partners to showcase their efforts to reduce methane emissions, improve air quality, and capture and monetize this valuable energy resource.”

- The BMP Commitment Option
  - Partners identify five year commitments to implement EPA’s Best Management Practices

- The ONE Future Emissions Intensity Commitment Option
  - Goal to reduce methane emissions to 1% or less by 2025
Questions...

- & (hopefully) Answers