Initial briefing to OMB: EPA’s Option 2 (Proposed) included semiannual monitoring at wellsites for 2 years, followed by annual monitoring (and annual monitoring at low production wellsites and Alaskan North Slope wellsites and compressor stations). EPA’s Option 2 (Proposed) also included quarterly monitoring at compressor stations.

OMB recommends EPA consider choosing Option 3 of the RIA as it provides for the highest net benefits.

EPA responds that while Option 3 provides for the highest net benefits, it also provides the highest amount of foregone emission reductions.

EPA provided a detailed response to support its continued conclusion that “EPA followed the requirements in the statute when setting the BJSER for fugitive emissions monitoring at compressor stations as quarterly OGI monitoring.”

EPA: “A major difference between Option 2 and Option 3 is the cost of monitoring fugitive emissions at compressor stations in the proposed Option 2—both on an annual and semiannual basis.”

OMB includes several comments related to EPA proposing and promoting an Option 4, which would include the provisions of Option 3, except with annual inspections at compressor stations.

The Interstate Natural Gas Association of America (INGAA) submitted a white paper to OMB and EPA: Re: leak emission estimates

OMB provides additional interagency comments on EPA’s proposed revisions to monitoring frequencies (EPA continues to maintain quarterly monitoring at compressor sites).

OMB memo to Docket: EPA in March and April (API, GPA, Midstream) regarding fugitive emissions monitoring data.

EPA memo to Docket with its analysis of fugitive emissions monitoring data provided by API concluded EPA will retain its leak rates and emissions factors and solicit additional information in the reconsideration proposal.

OMB recommends EPA consider a phase down approach that eventually is less than annual for non-low production well sites (e.g., every 18 or 24 months).

EPA memo to Docket with its analysis of compressor station fugitive emissions monitoring data provided by GPA stated it was unable to conclude that the leak rates will sharply decline following the initial survey for compressor stations.

OMB recommends EPA revise the initial monitoring timeframe from 60 to 180 days. “To note, while it may be “feasible” for companies to meet the 60-day timeframe to ensure compliance with regulatory requirements, it may not be cost-effective...”

OMB: “Improvement of the emission reduction estimates to address lower emission factors and lower reductions over time would also increase the estimated cost / ton figures, and likely strengthen the policy basis for Option 4.”

EPA: “The deadline for the initial monitoring does not affect the cost of the rule.”...

OMB: “...under subpart OOOOa, we cannot ignore its impact, in particular in ozone nonattainment areas. The net benefit analysis should account for the increases in other air emissions (e.g., HAP), as well as nonair quality health and environmental impacts.”

EPA: “...under subpart OOOOa, we cannot ignore its impact, in particular in ozone nonattainment areas. The net benefit analysis should account for the increases in other air emissions (e.g., HAP), as well as nonair quality health and environmental impacts.”

EPA suggests revisions to Option 3 “that would better reflect what can be supported by the currently available data.” EPA notes uncertainties with industry provided data (e.g., API, GPA).

The new Option 3 includes quarterly (instead of semiannual) monitoring at compressor stations and biennial (instead of an exemption from) monitoring at low production well sites.

OMB: Follow-up comments were for discussion with EPA on August 20, 2018

EPA performed a sensitivity analysis to understand how the monitoring frequencies would affect emission reductions and costs and was unable to conclude that quarterly monitoring at compressor stations...

OMB: Follow-up comments were for discussion with EPA on August 20, 2018

EPA revised NPRM to include a co-proposal of semiannual and annual monitoring at compressor stations.

EPA performed revisions based on OMB’s July 18 comments including proposing changes to the monitoring frequency requirement from quarterly to semiannual.

OMB submitted follow-up comments to EPA on stakeholder input (e.g., INGAA) supporting higher emission reductions at less frequent monitoring intervals (in support of annual monitoring at compressor stations).

EPA disagrees with the conclusions made in the INGAA White Paper report that is referenced and has twice previously provided response to ECI 12866 concerning regarding low non-low production.

EPA provided revisions based on OMB’s July 18 comments including proposing changes to the monitoring frequency requirement from quarterly to semiannual.

“Similar to our analysis for well sites, we recognize that our analysis likely overestimates the emission reduction and therefore, the cost-effectiveness of each of the three monitoring frequencies due to the areas of...”

EPA: “...we chose the option that provides the best emission reductions when considering cost...” Semi-annual monitoring for compressor stations can achieve greater emission reductions for a cost that is well within the acceptable cost of control.”

EPA disagrees with OMB edits and in an EPA staff email response to OMB regarding monitoring frequency at compressor stations, EPA maintains its position that annual monitoring is not justified.

“the incremental cost to control VOC emissions when going from semi-annual to quarterly monitoring exceeded the range we typically consider cost-effective, but the cost[] when going from annual to semi-annual[] was well within the acceptable range.”

In an email to OMB, EPA stated: “We still feel that annual monitoring for compressors and the other option 3 monitoring frequencies are the best option due to the reasons we explained on our call.”

“...we chose the option that provides the best emission reductions when considering cost...” Semi-annual monitoring for compressor stations can achieve greater emission reductions for a cost that is well within the acceptable cost of control.”