NEW GENERAL AIR PERMITS TARGET METHANE EMISSION REDUCTIONS IN PENNSYLVANIA

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On June 7, 2018, Pennsylvania Governor Tom Wolf and the Pennsylvania Department of Environmental Protection (the "Department") announced the issuance of new general permits that fall in line with Pennsylvania's commitment to curb methane emissions. The new general permits ("GP-5 and GP-5A") require that oil and gas operators use more advanced equipment from a broader array of sites, including compression, processing, and transmission facilities and natural gas wells. Further, the permits require more frequent checks for leaks along pipelines and connections. Effective August 8, 2018, these new general permits go beyond existing Pennsylvania and federal regulations in a systematic effort to reduce methane emissions [1].

Within the past decade, the oil and gas industry has expanded throughout Pennsylvania. A correlated side effect to the booming industry is that Pennsylvania produces the second-most amount of natural gas in the nation [2]. Methane emissions -- related to this increased natural gas production, transportation, and usage -- have also increased. Pennsylvania has and continues to develop permitting mechanisms to regulate emissions from this expanding industry.

One way Pennsylvania prevents air pollution is through its general permit program, which requires standardized specifications and conditions to regulate air contamination sources [3]. In accordance with the general permits, the Department "is authorized to require that new sources demonstrate in the plan approval application that the source will reduce or control emissions of air pollutants, including hazardous air pollutants, by using the best available technology" ("BAT") [4]. While Pennsylvania's general permit program has been around for over twenty years [5], Governor Wolf and the Department have recently issued a Methane Reduction Strategy, which aims to reduce methane emissions while still working toward sustainable environmental development [6].

On February 4, 2017, the Department published notice of the availability of the Proposed General Plan Approval and/or General Operating Permit No. 5A for Unconventional Natural Gas Well Site Operations or Remote Pigging Stations ("GP-5A") and Proposed Modifications to General Plan Approval and/or General Operating Permit No. 5 for Natural Gas Compressor Stations, Processing Plants and Transmission Stations ("GP-5") [7]. After the announcement of the general permits, the Department welcomed feedback from both the industry and environmental community. Due to heightened public interest, public comment on the permits was extended until May 15, 2018 [8].

On June 7, 2018, Governor Wolf and the Department announced the issuance of GP-5 and GP-5A as the first affirmative step in the Methane Reduction Strategy [9]. The new general permits will be required for new compression, processing, and transmission stations along pipelines and new natural gas wells [10]. Specifically, "the new GP-5A is applicable to the sources located at unconventional natural gas well site operations and

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remote pigging stations, and the revised GP-5 is applicable to sources located at natural gas compression stations, processing plants, and transmission stations." [11]

Additionally, the new permits set requirements on other types of air pollution outside of methane, including volatile organic compounds, hazardous air pollutants, and nitrogen oxides [12]. The new permits must not only comply with the federal new source standards, but must also use the BAT "included in the permit conditions for equipment and processes to control pollution emissions." [13]

The newly issued GP-5 and GP-5A impose more stringent requirements than the minimum state or federal required regulations. The strict regulations set forth in the permits will seek to prevent methane leaks from well-site equipment and pipelines better than before. Industry provided input to the Department as it developed the new GP-5 and GP-5A permits to insure that these permits reflect "lessons learned" from prior general permits. Both the Department and industry are hopeful that these new general permits will strike the right balance between regulating methane and allowing for the continued development of Pennsylvania's oil and gas resources. We will continue to monitor this issue for additional developments.

Notes

[1] *See* http://www.dep.pa.gov/Business/Air/BAQ/Permits/Pages/GeneralPermits.aspx.
[2] *Wolf Administration Continues Implementation of Methane Reduction Strategy by Releasing New Natural Gas Permits to Reduce Air Pollution*, (June 7, 2018) ("Press Release").
[3] *See* 35 P.S. § 4006.1(f).
[4] *See* 35 P.S. § 4006.6(c).
[5] *See* 24 Pa.B. 5899 (November 26, 1994). Pennsylvania's general permit program and BAT provisions have been in effect since 1994.
[6] *A Pennsylvania Framework of Actions for Methane Reductions from the Oil and Gas Sector* (Jan. 19, 2016) ("Framework Document").
[7] *See* 47 Pa.B. 733.
[8] Technical Support Document at 11.
[9] *See* Press Release.
[10] *See* http://www.dep.pa.gov/Business/Air/BAQ/Permits/Pages/GeneralPermits.aspx.
[11] Technical Support Document at 11.
[12] Press Release.
[13] *Id.*

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