Success through Partnership

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Overview

• Oil and Gas Industry in Louisiana
  – History
  – Present Day

• Regulatory Collaboration
  – Recent Successes
  – Upcoming Opportunities
LMOGA History

- Louisiana’s first trade association
- Founded in 1923 as a division of the National Mid-Continent Oil and Gas Association
- Represents all sectors of the oil and gas industry in Louisiana and the Gulf of Mexico
What LMOGA Does

• LMOGA promotes the oil and gas industry to the Louisiana legislature, state and federal regulatory agencies, the Louisiana congressional delegation, the media and the general public
History of Oil and Gas in Louisiana

- Louisiana’s first oil well was drilled in 1901 in a rice field near Jennings.

- Over 220,000 wells have been drilled in Louisiana since then.

- Total Louisiana crude production in 2016 was 56,432,000 barrels.
History of Oil and Gas in Louisiana

• Standard Oil built Louisiana’s first refinery in 1909 in Baton Rouge

• Today, there are 17 refineries with a total refining capacity of 3,343,206 barrels per day

• 18% of total US refining capacity; second only to Texas

Standard Oil Baton Rouge Refinery
Impact of Oil and Gas on Louisiana

- Directly employed 44,580 workers (2017)
- Supported 262,520 jobs (2015)
- Directly paid $688.7M in state taxes and fees (FY2017)
- $2B total contribution to LA economy (FY2017)
Regulatory Collaboration
Ozone NAAQS Attainment

- Five parishes around Baton Rouge have historically struggled with Ozone NAAQS

- Attainment with 2008 standard came just as 2015 standard was going into effect

- Exceedance on September 14, 2017 at the Dutchtown monitor
Exceptional Event

• EPA allows for pollutant data to be omitted if it can be proven to have been caused by an exceptional event

• Proved that Dutchtown exceedance caused by fires in Pacific Northwest
RVP Relaxation

- 16 parishes with RVP restrictions

- 11 granted relaxation in Dec 2017 (had been through two 10-year maintenance periods)

- 5 parishes surrounding Baton Rouge remain
RVP Relaxation

- 5 remaining parishes
  - Photochemical modeling performed in Sept/Oct 2017
  - Exceptional event analysis performed January 2018
  - Rulemaking initiated in March/April 2018
  - Relaxation final September 2018
St. Bernard SO2

- Modeled non-attainment with SO2 standard
- Industry funded placement of monitors
- Monitored data ~1/2 of standard
- YE2019 will mark three years of clean data
Verified Recycler Exclusion

• Confusion related to stringency of federal vs state Definition of Solid Waste

• Worked together with LDEQ to confirm LA DSW is more stringent than federal

• EPA R6 final rule approving LDEQ’s hazardous waste program in a matter of months
Verified Recycrler Exclusion

- First VRE facility expected to begin operations very soon

- Will lead to a 80-90% reduction in hazardous waste generation from refineries
Through-Tubing Casing Inspections

• Ad hoc committee (industry experts along with regulators) to evaluate through-tubing casing inspection technology

• Technology shows great promise for future use in well integrity assessment
Upcoming Opportunity: PM2.5 Standard

• Anticipating a reduction in PM2.5 standard

• Opportunity to perform modeling to determine potential areas of concern in Louisiana
Upcoming Opportunity: Offshore E&P Waste Compliance

- EPA R6 discovered compliance gaps in waste handling

- Working together to drive compliance
  - Guidance document
  - Other educational opportunities
Thank You!

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