

A photograph of an oil pumpjack (jack-o'-lantern) in a field at sunset. The pumpjack is a large green metal structure with a long arm and a counterweight. The sky is a mix of orange, yellow, and blue. The foreground is dark green grass. A blue horizontal bar is in the top left corner.

U.S. EPA Regulatory Activities

Association of Air Pollution Control Agencies

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U.S. EPA Oil and Gas Proposed New Source
Performance Standards and 111(d)
requirements for existing sources

Background



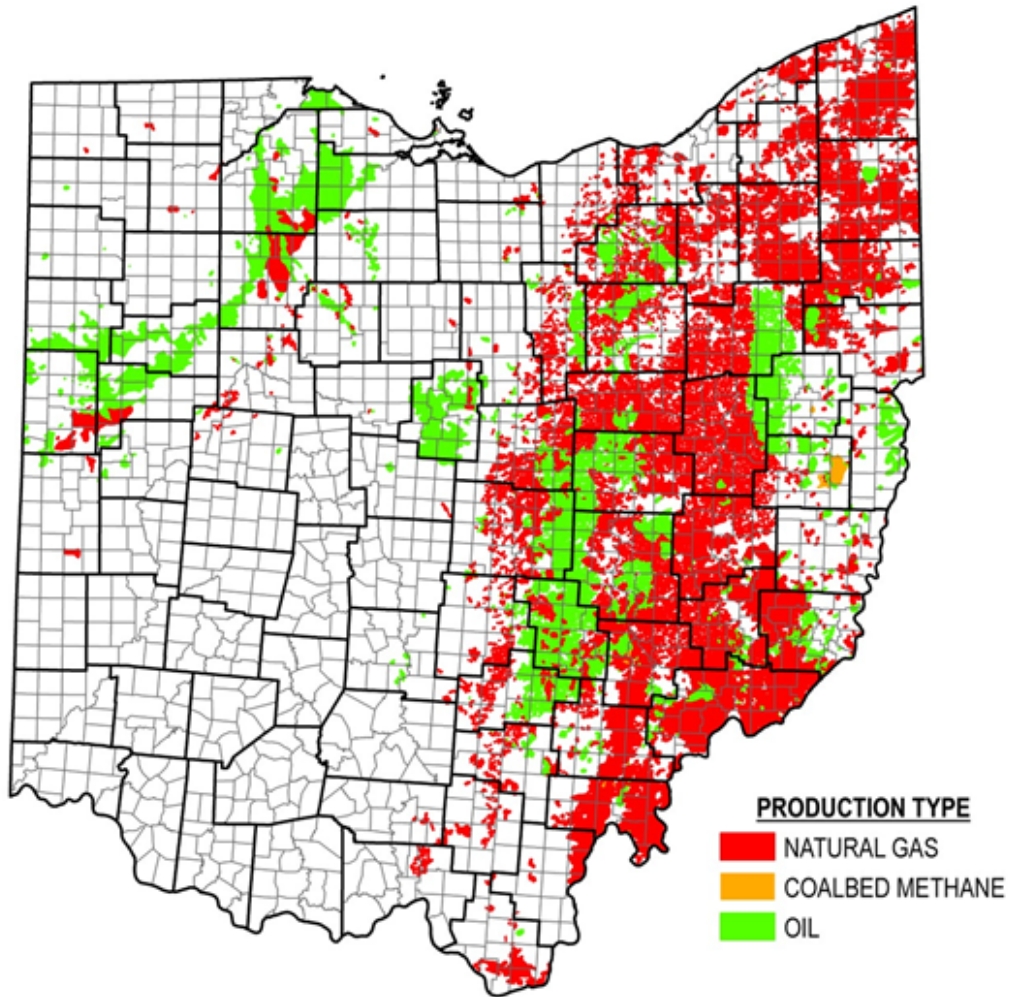
- Oil & gas industry large industrial source of methane – methane is an important greenhouse gas
- U.S. EPA stated purpose: Reduce emissions of GHGs (methane), VOC and SO₂
- Pre-proposal issued 11/15/21
- Proposed rules issued 11/11/22
- Two actions
 - Revise NSPS for new and modified sources
 - Issue Emissions Guidelines (EGs) for existing sources – which states must adopt
- U.S. EPA Goal: issue final rules – by end of 2023

Rules Finalized



- U.S. EPA announced the finalization of the rules on December 2, 2023
- Rules were published in Federal Register on March 8, 2024
- Rules effective May 7, 2024

Oil & Gas Production in Ohio



- +275,000 oil and gas wells drilled in Ohio since 1860
- +50,000 producing wells in 49 of 88 Ohio counties

What does it mean?



01

New and modified sources (all new wells) will need to meet more stringent requirements under new NSPS 0000(b)

02

For first time, Ohio EPA will be required (per 111(d) of the CAAA) to write rules for existing wells 0000(c)

03

Ohio EPA's current program covers "new" equipment – post 2011 – horizontal well sites

Current Ohio EPA Regulated Facilities

724 well sites (1056 air permits)

- All horizontal, fractured wells
- Don't currently regulate traditional oil & gas wells
- ODNR says ~51,000 active oil & gas wells

279 mid-stream facilities (890 permits)

11 gas processing facilities (90 permits)

Final Rules



- Standards for existing wells will be very similar to standards for new well sites
- Significantly more stringent than Ohio EPA's requirements for existing wells
- Covers all wells:
 - *“Well” means a hole drilled for the purpose of producing oil or natural gas, or a well into which fluids are injected.*
- All wells, not just horizontal – Ohio Department of Natural Resources has approximately 51,000 on file

“Super Emitter” Program



- 100 kg methane/hr (220 lb/hr, 964 tons/yr)
- Well site, centralized production facility or compressor station
- Approval process for third-party investigator
- Third-party investigator can submit material to U.S. EPA for further action – facilities have a limited time to respond if contacted by U.S. EPA

NSPS Applicability Dates

Subpart 0000

- Horizontal wells constructed after August 23, 2011, and before September 18, 2015

Subpart 0000(a)

- Horizontal wells constructed after September 18, 2015, and before December 6, 2022

Subpart 0000(b)

- Wells constructed after December 6, 2022

Existing Sources

What is an
“OOOO(c) (existing
source”?



Sources that were
constructed prior to
December 6, 2022, are
considered existing
sources and will need to
comply with the
upcoming existing
source rule

Next Steps – Schedule – New



- New Wells
 - For wells constructed after December 6, 2022, need to apply for permit from Ohio EPA
- Ohio EPA working on general permit to assist companies with updated standards
- Applies to all new well sites, not just hydraulic fractured wells
- Need to track down and update sources that received OOOO(a) permits between December 6, 2022 and now

Next Steps – Schedule – Existing



- Ohio EPA has 24 months from March 2024 to develop rules to cover all well sites
 - March 2026
- After rule promulgation, well owners will have 36 months to comply
 - March 2029

What are we doing?

01

Evaluating contents of rule

- Over 600 pages in Federal Register

02

Revising the Ohio EPA General Permit for new sources to address changes for new facilities

03

Consulting with other states on plan to address rule

04

Discussing future activities with trade organizations

Final Rules

Small business/ individual owner impact

- AVO inspections, reports, etc. lot of work
 - AVO = audio, visual, and olfactory
 - Prepare quarterly reports
 - Have reports available
 - Submit reports on an annual basis – electronically?
 - Subject to federal enforcement actions
 - Need to submit annual emissions reports every two years/pay permit fees



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Final Rules

Ohio EPA work

- ***IMMEDIATE NEED***
 - Develop General Permit for new well sites
 - Must handle new wells drilled after December 6, 2022
- Medium term
 - Rules for existing sources must start now to complete in 24 months – stakeholder outreach
 - Longer term - Resource Needs
 - 46 additional staff if general permits meet needs and inspections once every 20 years
 - 131 additional staff if synthetic minor permits needed along with more frequent inspections
 - \$5,757,000 (lower end) to \$16,375,000 (upper end) in 2024 dollars to fund additional work



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Litigation

- Ohio Attorney General along with at least 24 states have appealed the rule
- Many states have also requested a stay of the rules
- Litigation results may have impact on requirements and timing



Questions?

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