



February 2015 eBrief Print Version

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Longtime GPSA member and industry legend Tom Russell honored by University of Tulsa

In 1997, Thomas H. "Tom" Russell was presented with the GPA Hanlon Award, the gas processing industry's highest honor, for his contributions to the industry and support of GPA and GPSA. In presenting the award, then-GPA President Joe Becraft said, "Our honoree made his reputation by furnishing low cost, well designed, modular gas plants to the industry through the company he founded 26 years ago. It is easy to speculate that without his leadership and expertise, a considerable amount of natural gas and natural gas liquids might have been unprocessed or worse, simply wasted."

As Becraft said, the Hanlon recognition came 26 years after founding the T.H. Russell Co. But after seeing Russell's continued contributions to the industry since that award was presented 18 years ago, GPA now realizes that back then, he was just getting started.

Not only is Russell a legend in the gas processing industry, but he has also made quite a name for himself at the University of Tulsa (TU), where he graduated with a Bachelor of Science degree in 1957. The university recently announced that it is honoring Russell by naming the School of Chemical Engineering after him for his generous and longtime support of his alma mater through his time and financial contributions.

Russell was named a TU Distinguished Alumnus in 2013. He was inducted into the College of Engineering and Natural Sciences Hall of Fame in 1993 and has served on the Chemical Engineering Advisory Board since 1981. In addition, Russell has funded the T.H. Russell Co. Scholarship for Engineering, the Thomas Russell Co. Provost Scholarship Endowment for Chemical Engineering and the Thomas and Pam Russell Vestibule in Stephenson Hall.

The Russell School of Chemical Engineering will be housed mostly in TU's Keplinger Hall, which will undergo renovations starting this spring thanks to the Russells' generosity. The renovations will expand classrooms and improve the laboratories.

"We are honored to have had Tom involved in the GPA and GPSA organizations for many, many years," said GPA President and CEO Mark Sutton. "From his contributions to the GPSA Engineering Data Book and his personal

involvement with the GPSA board, including one term as president, we consider ourselves lucky to be in his company.”

Federal advocacy updates

GPA comments on EPA's Proposed Rule on Waters of the U.S.

GPA filed comments on the Environmental Protection Agency's (EPA) proposed rule for Waters of the U.S. in November, which remains an enormous issue that could potentially impact all GPA members. The proposed rule is an expansion of the jurisdiction of the Clean Water Act, and GPA members could be required to obtain new permits for existing and new operations, which would impact Clean Water Act 404 permits, 402 permits, storm water permits, and the Spill Prevention Control and Countermeasure Rule. In its comments, GPA pushed for the rule not to go forward. EPA and the Army Corps of Engineers are currently reviewing all of the comments submitted.

View GPA's comments: <https://gpaglobal.org/assets/gpa/pdf/comments/2014/GPA-EPA-Comments-11-14-14.pdf>

GPA files regulatory comments on EPA's proposed rule revisions to the Greenhouse Gas Reporting Rule Subpart W for Gathering and Booster Station

GPA filed comments Tuesday to EPA's proposed rule revisions to the Greenhouse Gas Reporting Rule. The rule revisions would expand the greenhouse gas reporting requirements to the "Gathering and Booster Station" segment of the petroleum and natural gas systems (note: gas processing plants are already subject to the rule). The revisions are scheduled to be final by end of 2015 and the first report due March 2017 (reflecting 2016 operations).

A GPA Environmental Committee work group led by Adrienne Sandoval, Williams, reviewed the proposed rule and compiled comments. Key comments included:

- Changes and corrections to key definitions
- Challenging aggregation of gathering and booster facilities within a common basin
- Requesting that facilities with manufacturer rated horsepower less than 650 horsepower be excluded from aggregation and reporting requirements
- Eliminating the reporting of facility blowdowns and storage tanks emissions from reporting requirements
- Requesting the ability to use additional emissions data in addition to prescribed emissions factors
- Requesting the use of Best Available Monitoring Methodologies (BAMM) beyond the proposed three months
- Correcting numerous incorrect assumptions and cost estimates associated with the proposed rule revisions

View GPA's comments: <https://gpaglobal.org/assets/gpa/pdf/comments/2015/GPA-EPA-Comments-02-24-15.pdf>

GPA files Petition for Reconsideration of the Oil and Natural Gas rule: New Source Performance Standards Subpart OOOO

GPA membership is significantly impacted by the actions of the Environmental Protection Agency's (EPA) Oil and Natural Gas (O&G) rule, also known as the Quad OOOO New Source Performance Standards (NSPS). The rule revision includes language that could significantly impact GPA members' storage tanks installed or connected in parallel.

Background

GPA appreciates the efforts EPA has undertaken to address many issues of concern that we identified in the NSPS Subpart OOOO rules through GPA's public comments. Specific to this Petition for Reconsideration of the O&G rule are revisions to the definition of "storage vessel" that appears to be connected to revisions that would clarify and address the requirements for storage vessels that are taken out of service and returned to service. GPA believes the O&G rule revisions do help clarify the rule's applicability to storage vessels that are removed from and returned to service.

The specific language added to the definition of storage vessel of most concern is "*[t]wo or more storage vessels connected in parallel are considered equivalent to a single storage vessel with throughput equal to the total*

throughput of the storage vessels connected in parallel." Under this language, multiple parallel storage vessels become subject to a collective 6 ton-per-year volatile organic compound (VOC) applicability threshold as opposed to the singular 6 ton-per-year-VOC-per-year-per-storage vessel applicability threshold under the original rule (and proposed rule revisions). This significantly changes how affected facility status is evaluated.

Additionally, for GPA member companies, it is quite common for multiple storage vessels to be situated next to each other and connected in parallel. Sometimes the storage vessels are operated in parallel, sometimes they are operated in series, and sometimes they are operated one-at-a-time with the connecting valves closed. This configuration has existed for decades at gathering and boosting compressor stations and gas plants. Thus, this revised language potentially has large impacts to how our members evaluate affected facility status. Compounding this potentially large shift in how affected facility status is evaluated is the use of the word "connected" instead of "operated." It is common for tanks that are connected in parallel to be operated independently (with their own throughput tracking, emission points, etc.). The connecting line(s) between vessels would be closed.

GPA is petitioning for reconsideration because the "in parallel" language addressed above was not included in the proposed rule revisions published in 79 Fed. Reg. 41,752 (Jul. 17, 2014). As such, GPA and affected industry members did not have the opportunity to review or comment on these rule revisions, which would have a significant impact on operations.

In addition to granting GPA's Petition for Reconsideration on these issues, we also request that the Agency stay the effectiveness of the standards for storage vessel affected facilities during the pendency of reconsideration. A stay is needed and warranted because the O&G rule became effective and applicable without prior notice to the industry members. View the petition: <https://gpaglobal.org/assets/gpa/pdf/comments/2015/GPA-EPA-Petition-for-Reconsideration-02-19-15.pdf>

State advocacy updates

Endangered Species Act update on bird species endemic to several key GPA states

The Oklahoma Department of Wildlife Conservation (ODWC) has filed comments with the United States Fish and Wildlife Service regarding the Sprague's Pipit, a small grassland bird endemic to Oklahoma and several other states (Arizona, Arkansas, Louisiana, Minnesota, Mississippi, Montana, New Mexico, North Dakota, South Dakota and Texas). The Sprague's Pipit priority under the Endangered Species Act has been lowered on the scale, which means that the magnitude of threats to species is not as great as originally thought. The ODWC comments maintain that the Sprague's Pipit is an uncommon but widespread spring and fall migrant and is not warranted for threatened or endangered species designation. A final decision on the Sprague's Pipit is expected by Sept. 30.

GPA files comments with Railroad Commission of Texas responding to Form T-4

Pursuant to the request of the GPA Regulatory Committee, GPA sent a letter to the Railroad Commission of Texas in support of revisions to Form T-4, *Application For Permit To Operate A Pipeline In Texas*. GPA's letter also requested the addition of a sentence to request the contact information for the individual(s) who could respond to any questions concerning the pipeline's classification. The Texas Oil and Gas Association also filed a letter suggesting the same addition, as well as a few clarification edits.

GPA prepares talking points in support of OK HB1962 & HB1963

Members from GPA's Legislative Committee formed a subcommittee to address ad valorem tax issues in Oklahoma. As a result, a talking point paper was prepared supporting HB1962, confirming that all forms of tangible personal property is eligible for the Freeport Exemption if 1) it comes into Oklahoma from out of state, 2) is held for less than 9 months for assembly, processing, manufacturing or storage, and 3) is sold out of state. 68 O.S. 2011 Section 2807:12 specifically defines oil- and petroleum-related products as tangible personal property for purposes of ad valorem taxation. Representative Weldon Watson's (R) bill will clarify that all tangible personal property, including oil- and petroleum-related products, are eligible for the exemption.

HB1963, also introduced by Watson, revises the existing Oklahoma statute to include language to protect a property owner's information submitted at the administrative level when going to appeal at a higher court. It also specifies that the final tax amount cannot be more than what is currently specified on the tax rolls and shall not exceed the amount the assessor submitted to the Board of Equalization.

The talking points were distributed to legislators of the House Appropriations and Budget Committee by GPA member companies.

GPSA directors ballots due March 20

On Feb. 20, the 2015 GPSA Directors Ballot was electronically distributed to GPSA member companies. All GPSA Official Representatives should complete their ballots and submit via the link provided; the electronic process requires just a few minutes of your time to complete the ballot. The ballot closing date is March 20; ballots received after that date will not be counted. Please take a moment to participate in this important association activity and help select GPSA's 2015-2016 leadership.

GPA Standard 2174 has been published

Technical Section B – Analysis & Test Methods has revised and published GPA Standard 2174 – *Obtaining Liquid Hydrocarbon Samples For Analysis by Gas Chromatography*. The specific purpose of the standard is to describe the equipment and procedures for obtaining representative samples of natural gas liquids and the subsequent preparation of those samples for laboratory analysis by gas chromatography. Changes made to the document included the addition of a mixing device to the sample cylinder in Figures 1, 2 and 8 to comply with the requirement to mix the sample prior to analysis. The Section B work group will begin to develop a section for online sampling systems, which could take more than a year to develop.

Revised GPA Operations Test Manual to become available next month

A subcommittee of Technical Section M – Operations and Maintenance led by Brian Booth, Enterprise, has completed revisions to the GPA Operations Test Manual, which provides laboratories of the gas processing industry with a “one volume library” of recognized test methods that are useful in daily operations. The manual includes test methods that are official standards or adopted procedures of recognized organizations such as the American Society for Testing and Materials, American Petroleum Institute and GPA. A number of other useful procedures have also been included. The manual will be available in early March to GPA/GPSA members on the GPA web site under Publications: <https://gpaglobal.org/publications>.

Domestic GPA chapter activities help strengthen the U.S. midstream industry

GPA has six domestic chapter organizations that offer educational, training and networking opportunities specific to their respective geographic locations. Each chapter offers individual annual memberships at a minimal cost, ranging from \$20 - \$55 per year. Some chapters offer corporate membership options as well. GPA provides guidance and assistance to each chapter, and many chapter members are also members of and are involved in the global GPA organization, but each chapter operates independently with its own membership roster, officers and bylaws.

Chapter membership is open to midstream operating company representatives and service and supply company representatives. Many chapters also have their own young professionals' groups that plan educational and networking activities targeting the midstream industry's next generation of leaders.

Learn more information about a specific chapter, including events and membership:

<https://gpaglobal.org/chapters/domestic>

GPA Europe annual conference call for papers

GPA Europe is seeking papers for its annual conference to be held in September in Florence, Italy, which is typically the organization's best attended conference each year.

Whether you are bringing attention to a new product, reporting on research results, discussing a problem for which you need help, or simply wishing to present a useful view of the gas processing environment, submit your proposed abstract before the end of March. Papers will be grouped with others containing similar topics. View details of the Call for Papers and information about pre-registering for the meeting at the GPA Europe web site:

<https://www.gpaeurope.com/event-details.aspx?event=48>.

International Petroleum Technology Conference Call for Papers deadline extended to this Saturday

GPA is an endorsing organization for the 9th edition of the International Petroleum Technology Conference (IPTC) scheduled for Dec. 6 – 9 in Doha, Qatar. The Call for Papers deadline for this event has been extended to Feb. 28.

Founded in 2005, IPTC is a multidisciplinary technical event held annually and rotates between Doha, Qatar, and venues in the Asia Pacific region. The scope of the conference program and associated industry activities will address technology and relevant industry issues that challenge industry specialists and management around the world. IPTC is focused on the dissemination of new and current technology, best practices and multi-disciplinary activities designed to emphasize the importance of the value chain and maximizing asset value. The knowledge, capabilities

and strengths of the participating countries and the sponsoring societies' global membership, over the spectrum of multi-disciplinary technologies, are central to the success of the conference and the corresponding exhibition.

Learn more: <http://www.iptcnet.org/2015/doha/index.php>.

March events for GPA chapters and affiliated organizations

Houston GPA March luncheon

Houston GPA is holding a March 25 luncheon at the Houston Racquet Club. Frank Ferazzi, Williams, is the featured speaker and will discuss the "Reversal of Transco Mainline." For more information, including online registration, visit: <http://www.houstongpa.org/calendar.cfm>

North Texas GPA sporting clays event

North Texas GPA will host its East Texas Sporting Clays event on March 27 at the Prairie Creek Ranch in Gladewater, Texas. Those interested in participating are encouraged to register early because registration is limited. View event details, including registration information: <https://s01.123signup.com/Member?PG=1535778182400&P=15357781348234051428074200&Info>

GPA Canada to hold Operations & Safety Conference

GPA's affiliated organization in Canada (GPA Canada) is hosting its 27th Annual Operations & Safety Conference on March 27. The event theme is "Don't Let Complacency Determine Your Luck." View event details, as well as GPA Canada organization information, at gpacanada.com.

GPA Convention updates

GPA Convention Show Daily ads

Advertising in the GPA Convention's Show Daily puts your message in front of all attendees Monday thru Wednesday, plus is sent electronically each of those days to GPA's entire midstream database of more than 10,000 names. That means even those not in attendance receive convention news and your display ads. Space options are still available but are going fast, so contact Crystal Myers today to reserve yours: cmyers@GPAglobal.org.

Learn more about advertising options: <https://gpaglobal.org/assets/convention/pdf/2015/2015-Show-Daily-Media-Kit.pdf>.

Registration

With less than 7 weeks to go, more than 1,600 midstream professionals have registered for the 2015 GPA Convention. Interested in seeing who's registered? Our registration list is updated every Monday; view the list here: <https://gpaconvention.org/2015-attendees>

If you haven't yet registered to attend, there's still time to do so at a discount. Please keep in mind that March 13 is the last day to receive the advanced registration discount. Anyone wishing to attend after this date will pay on-site fees.

For those who have already registered, please keep an eye on your inbox for important GPA Convention e-mails, which we'll be sending in March, including information about how to access event information in the GPA app.

For all GPA Convention information, visit www.GPAconvention.org.

Hotel information

Our host hotels have sold out of rooms, but as a free service to GPA attendees, A Room With A View has information on designated GPA overflow hotels and will secure the lowest available rates within walking distance of the host Marriott hotels. In the event that rooms become available at the Marriott hotels due to cancellations, A Room With A View will notify conference attendees and help transfer reservations back to the Marriott hotels in the order in which they were booked.

U.S. residents may reach A Room With A View at 1-800-780-4343. Attendees outside of the United States may reach them at ARWAV@charter.net.

GPA/GPSA Calendar

For details on events listed below, visit <https://gpaglobal.org/calendar>

February

- 26** - Rocky Mountain GPA Luncheon
- 27** - Rocky Mountain GPA Ski Bus Trip

March

- 25** – Houston GPA Luncheon
- 27** – GPA Canada 27th Annual Operations and Safety Conference
- 27** – North Texas GPA East Texas Sporting Clays Event

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