



July 2015 eBrief Print Version

Headlines

- [GPA, GPSA Engineering Data Book Training Course open for registration](#)
- [Braze aluminum heat exchanger technical bulletin in progress](#)
- [Dates set for GPA Convention exhibit applications and sponsorship sign-ups](#)
- [GPA participates on Small Business Panel on upcoming methane regulations](#)
- [GPA attends Migratory Bird Treaty Act meeting](#)
- [GPA monitors methane reports](#)
- [EPA proposes new Natural Gas STAR Methane Challenge Program to replace Natural Gas STAR Program Capitol Hill roundup](#)
- [State government affairs updates](#)
- [Advocacy Steering Committee appointments](#)

GPA, GPSA Engineering Data Book Training Course open for registration

In a collaborative effort, GPA and GPSA have developed a week-long Engineering Data Book training course to equip midstream industry engineers early in their careers, and also operators, plant personnel and technical sales personnel with the fundamentals they need to put this valued industry resource to practical use. Registration has opened for the initial class, scheduled for Oct. 19 - 23 at the Enterprise Training Center in Mont Belvieu, Texas. The course is limited to 24 students and is available on a first-come, first-served basis. Students will be tested on the information presented and, upon passing, will leave certified in the use of the GPSA Engineering Data Book.

For more information and to register, visit <https://www.gpaglobal.org/training/data-book>.

Braze aluminum heat exchanger technical bulletin in progress

The ad hoc subcommittee created under the direction of the GPA Board of Directors to research causes for recently noted failures in braze aluminum heat exchangers (BAHXs) and to identify solutions to minimize future failures met this month in Tulsa to continue work on a technical bulletin. The subcommittee consists of GPA and GPSA members, with multiple representatives from producers, EPC firms and BAHX manufacturers. The bulletin will make recommendations for design, installation, operation, inspection, and dealing with contaminants of BAHXs that should be considered to help BAHX owners get more out of these integral pieces of equipment for the gas processing industry. Once published, the bulletin will be available to GPA and GPSA members in the members-only area of the respective web sites.

Dates set for GPA Convention exhibit applications and sponsorship sign-ups

The GPA Convention doesn't have a traditional exhibit hall like many conferences do because our emphasis remains on the papers, presentations, forums and networking opportunities. We have one exhibit period called Vendor Night, consisting of a three-hour exhibit session with a restricted number of booth spaces available that is held in conjunction with a reception on the opening day of the convention (Sunday, April 10). We have 25 spaces available at our New Orleans venue, all 10 x 10 feet, at a space cost of \$2,500 for members and \$3,500 for non-members. These spaces will be delegated through a lottery system for 2016. Companies interested in applying for one of the 25 Vendor Night spaces for 2016 should make note of the following:

- **The Vendor Night enrollment period opens on Aug. 24 at 8 a.m. and closes on Sept. 4 at 5 p.m. Central time.** Absolutely no additional entries will be accepted after the enrollment period closes.
- All companies interested in a Vendor Night space must register for the lottery using the online sign-up form during the enrollment period - no sign-ups by phone, e-mail or fax will be accepted.

- All companies that sign up using the online form will receive one entry in the Vendor Night lottery; companies are eligible for up to 16 additional entries if they meet the criteria as outlined on <https://GPAconvention.org/2016-lottery-info>
- The Vendor Night drawing will take place on Sept. 8 and 25 winners, as well as 5 alternates, will be announced that day. Companies awarded Vendor Night positions are required to pay in full within 30 days or the position will be awarded to an alternate.
- The 2016 GPA Promotional Opportunities packet outlining all sponsorship, advertising and hospitality options will become available for review on Sept. 8.
- Sponsorship registration will open Sept. 22, and opportunities will be awarded on a first-paid, first-served basis.

For detailed information about the Vendor Night lottery system, visit <https://GPAconvention.org/2016-lottery-info>.

GPA participates on Small Business Panel on upcoming methane regulations

Robert Mitchell, Carrera Gas Companies, and Julie Lang, Prism Midstream, recently served as Small Entity Representatives (SERs) for EPA's Small Business Advocacy Review (SBAR) panel for EPA's upcoming rule on Emissions Standards for New and Modified Sources in the Oil and Natural Gas Sector. Under the Regulatory Flexibility Act, EPA is required to consider the impact of its regulatory proposal on small businesses and minimize the proposal's impacts on small entities.

EPA is developing a strategy to reduce methane emissions and has repeatedly stated to have the rule out by the end of summer. This SBAR panel is part of the process that EPA must follow prior to developing a proposed rule on regulating methane emissions. The SBAR panel is limited to small businesses that are engaged in the sector that they are proposing to regulate. Thanks to Robert and Julie, GPA had two seats at the table to defend and ensure that the midstream interests have a voice in the process and our interests are looked after. We greatly appreciate their time and efforts.

GPA attends Migratory Bird Treaty Act meeting

GPA recently attended a public scoping meeting on migratory bird management in Arlington, Va. The U.S. Fish and Wildlife Service (USFWS) intends to prepare a programmatic environmental impact statement pursuant to the National Environmental Policy Act. The purpose is to evaluate the potential environmental impacts of a proposal to authorize incidental take of migratory birds under the Migratory Bird Treaty Act.

They are looking at a number of sectors and methane emissions, and the oil and gas sector are two priority areas for them. Because the proposal is only about creating a permit, GPA's Natural Resources Subcommittee has decided not to comment. Once USFWS proposes what the permits will entail, GPA will weigh in. GPA anticipates USFWS will require mitigation measures to be installed on open flames or any type of flaring, which could take the form of metal fencing that prevents birds from landing or sitting on flames.

GPA monitors methane reports

A paper from Colorado State University was published on July 21 in *Environmental Science & Technology*, which is part of the ongoing effort by the Environmental Defense fund to study how much methane is escaping out of the U.S. gas supply system. This paper focused on the storage and transmission sector, which measured a decrease (about 40 percent) in methane emissions as compared to the greenhouse gas inventory from EPA. GPA expects the gathering and booster modeling report to be published next month.

EPA proposes new Natural Gas STAR Methane Challenge Program to replace 20-year-old Natural Gas STAR program

On July 23, EPA released its new Natural Gas STAR Program called the Methane Challenge Program, a proposed voluntary program for oil and natural gas producers to commit to methane reduction and reporting targets. The challenge aims to bring the oil and gas industry closer to the administration's stated reduction goals, lowered 40 - 45 percent from 2012 levels by 2025.

"GPA strongly supports voluntary programs and believes voluntary programs are much more effective than regulatory mandates. GPA has been an active supporter of EPA's Natural Gas STAR program since its inception," said GPA Vice President of Government Affairs Matthew Hite. "This program has been successful in achieving voluntary reductions from existing and new sources. We are encouraged by EPA reaching out to the midstream industry to solicit feedback.

"GPA looks forward to evaluating EPA's new proposal. We will be looking at how EPA addresses incentives in the proposal and how or if they credit previous efforts to voluntarily reduce methane emissions."

Capitol Hill Roundup

House Energy and Commerce Committee update

The House Energy and Commerce Committee held a hearing on July 14 titled "Oversight of the Pipeline Safety,

Regulatory Certainty, and Job Creation Act of 2011 and Related Issues.” The potential of increased gathering line regulation was brought up several times during the hearing. Specifically, PHMSA, Pipeline Safety Trust, and the National Association of Regulatory Utility Commissioners all focused on gathering lines and the need for regulating them during part of the hearing. The majority of the hearing focused on why PHMSA has been unable to complete the remaining 17 of the 42 congressional mandates from the 2011 pipeline safety reauthorization.

U.S. Senate Committee on Commerce, Science and Transportation update

The U.S. Senate Committee on Commerce, Science and Transportation held a hearing on July 22 on the nomination of Marie Therese Dominguez to head PHMSA. Dominguez is a former adviser to Sen. Mark Warner (D-VA), and she previously served as deputy assistant Army secretary for civil works. She also previously worked for the U.S. Postal Service and also spent time in the private sector. PHMSA has been without a permanent leader since October, when former Administrator Cynthia Quarterman stepped down. President Obama nominated Dominguez in May.

The hearing was non-controversial. Dominguez did say that if confirmed, her hope will be to get out the gas transmission rule and the liquids transmission rule before the end of the year. The Republicans did touch on her lack of subject matter expertise, but she handled that question well. Other subjects brought up included LNG citing, the Plains All-American Pipeline California spill, rail transportation of oil and gas, and several other subjects.

House and Senate appropriation bills updates

The House was making progress during the appropriations process and had passed out multiple bills this summer. The entire process grinded to a halt when the House considered the House Interior Appropriations bill, and an amendment that focused on the sale of the confederate flag was the direct cause. GPA had been supporting a number of policy riders that were included in various appropriations bills that attempted to repeal or strike funding for certain agency proposals like Waters of the U.S., the Ozone standard, Endangered Species Act, etc. In the Senate, Democrats have refused to let the appropriation bills come to the floor due to a disagreement over spending levels.

Current funding for the federal government runs out at the end of September. The House speaker has indicated that a continuing resolution will be necessary to fund the government, which means that the policy riders may not be an option this year.

Energy bills updates

A House Energy and Commerce subcommittee unanimously approved a comprehensive energy bill that would modernize energy infrastructure, boost energy jobs, and address security, diplomacy, efficiency and accountability.

Committee leaders noted that a broader energy package is in the works, which will likely trigger tough negotiations over the fate of fossil fuels and renewables in U.S. energy markets, potential changes in infrastructure oversight, and whether and how the country should export domestic oil and gas.

The Senate Energy and Natural Resources Committee recently released a draft energy bill called the Energy Policy Modernization Act of 2015. They plan to hold to markups prior to the August recess. The bill includes sections on efficiency, infrastructure, supply, accountability and conservation. The legislation avoids the most controversial issues for now in hopes of building bipartisan support, omitting some of Sen. Lisa Murkowski’s (R-Alaska) top priorities, such as opening the Arctic National Wildlife Refuge and lifting the ban on crude oil exports. GPA previously sent a letter of support for S.411, the Natural Gas Gathering Enhancement Act, and requested two changes (making the word “compressors” plural since a number of our lines have multiple compressors and changing the definition of “gathering line”). Sen. John Barrasso (R-WY) plans to offer S. 411 as an amendment to the Senate Energy bill, and he did make the compressor change we requested but was unable to make the requested gathering line definition change. The Senate Energy bill is being marked up this week in committee before the Senate recesses.

State government affairs updates

Louisiana suspension of tax exemption

House Concurrent Resolution 8 has been enacted by the Louisiana legislature effective July 1. The resolution suspends a 1 percent sales tax exemption for sales of steam, water, electric power or energy, and natural gas. A lawsuit has been filed in district court by the Louisiana Chemical Association declaring the suspension unconstitutional because it was not approved through the Louisiana legislature by a two-thirds majority in either the House or the Senate. Suggestions to businesses are to pay the extra 1 percent under protest, and by doing so, the 1 percent will be refunded if the resolution is reversed.

Oklahoma interim studies

Interim studies have been issued from both the Oklahoma House of Representatives and the Senate. The House proposed 237 interim studies, and 77 were approved by the committee chairs. The Senate has proposed 65 interim studies, but we are still waiting to hear what the Senate committee chairs will approve.

An interim study proposed by Representative John Montgomery will be looking at hedging to protect the gross production tax revenues and income derived from the energy sector. Representative Montgomery sites the practice being used by the Mexican government for its \$200 billion budget, where a third of the revenue comes from the oil and gas industry. Last November, Mexico spent \$774 million to secure those revenues related to the oil and gas industry.

Representative George Faught has asked for an interim study that will look at processes on how the legislature reviews the state's administrative rules process.

GPA was watching for an interim study on gathering and processing rates, but nothing was proposed.

GPA files amicus brief supporting Texas Pipeline Association comments

In late June, GPA filed an amicus brief in support of the Texas Pipeline Association's (TPA) brief filed with the Texas Supreme Court in the matter of the Petition For Review in Denbury Green Pipeline-Texas, LLC v. Texas Rice Land Partners, LTD, et al. In its brief, TPA stated that the Texas court of appeals' March decision could have adverse impacts on the development of pipelines in Texas. It will be a few months before the Supreme Court responds to the Petition for Review of the 9th Court of Appeal's March 16 decision. View the amicus brief here:

<https://gpaglobal.org/assets/gpa/pdf/comments/2015/2015-06-29-Amicus-Brief-Texas-Supreme-Court-Denbury.pdf>

Advocacy Steering Committee appointments

GPA's Advocacy Steering Committee is a closed group consisting of the chair and vice chair from each of GPA's advocacy committees: Environmental, Legal, Legislative, Pipeline Safety, Regulatory and Safety. The Advocacy Steering Committee chair and vice chair are appointed by GPA's chairman of the board, and they serve two-year terms in their respective roles. We are pleased to announce that Robert Mitchell, Carrera Gas Companies, and Jessica Keiser, Targa Resources, have been named chair and vice chair, respectively, of this committee.

This committee acts as the facilitator for activities of the aforementioned working committees, and these leaders support and complement action items brought forth for discussion. Thanks to the following individuals for serving in these important roles.

Advocacy Steering Committee

Chair: Robert Mitchell, Carrera Gas Companies

Vice Chair: Jessica Keiser, Targa Resources

Environmental Committee

Chair: Melanie Roberts, Targa Resources

Vice Chair: Jeff Stovall, Crestwood Midstream Partners

Legal Committee

Chair: Kamal Gala, DCP Midstream

Vice Chair: TBD

Legislative Committee

Chair: Bret Fox, DCP Midstream

Vice Chair: David Callahan, MarkWest

Pipeline Safety Committee

Chair: Matt Norton, Crestwood Midstream Partners

Vice Chair: TBD

Regulatory Committee

Chair: Cris Castillo, Tesoro Companies Inc.

Vice Chair: Dave Rader, ONEOK

Safety Committee

Chair: Brian McGuire, DCP Midstream

Vice Chair: Jim Hanson, EnCana Oil & Gas

GPA/GPSA Calendar

August

3 – 7 GPA School of Gas Chromatography

18 Appalachian Basin GPA Luncheon

18 – 19 GPA/GPSA Summer Board Meetings

Gas Processors Association

Sixty Sixty American Plaza, Suite 700

Tulsa, Oklahoma 74135

(918) 493-3872

www.GPAglobal.org

www.GPAconvention.org

GPA@GPAglobal.org
