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March 14, 2019

United States Environmental Protection Agency
Climate Change Division (6207A)
Attention: Docket ID No. EPA-HQ-OAR-2018-0853
1200 Pennsylvania Ave., NW
Washington, DC 20460

Re: Comments by GPA Midstream Association on Notice of Document Availability on the Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2017, 84 Fed. Reg. 3444 (February 12, 2019) – Docket ID No. EPA-HQ-OAR-2018-0853

Dear Docket Clerk:

GPA Midstream Association (GPA Midstream) hereby submits these comments to the U.S. Environmental Protection Agency (EPA) on EPA's Notice of Document Availability on the Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2017, 83 Fed. Reg. 3444 (February 12, 2019) – Docket ID No. EPA-HQ-OAR-2018-0853.

GPA Midstream has served the U.S. energy industry since 1921. GPA Midstream is composed of nearly 100 corporate members of all sizes that are engaged in the gathering and processing of natural gas into merchantable pipeline gas, commonly referred to in the industry as "midstream activities." Such processing includes the removal of impurities from the raw gas stream produced at the wellhead, as well as the extraction for sale of natural gas liquid products (NGLs) such as ethane, propane, butane and natural gasoline. GPA Midstream members account for more than 90 percent of the NGLs produced in the United States from natural gas processing. Our members also operate hundreds of thousands of miles of domestic gas gathering lines and are involved with storing, transporting, and marketing natural gas and NGLs.

GPA Midstream urges EPA to reconsider the methodology EPA uses to calculate Greenhouse Gas Emissions (GHGs) for the midstream Gathering and Boosting (G&B) segment of the natural gas production and distribution sector. As is stated in Chapter 3 of the Inventory, EPA does not use data from the Greenhouse Gas Reporting Program (GHGRP) to calculate the emissions for this segment. Instead, EPA uses emissions factors from the 1996 EPA/GRI report

and Zimmerle et al. (2015) study. GPA Midstream has significant concerns about the use of both data sources for emissions factors associated with the G&B segment, but we will address our comments to the limitations of the 1996 EPA/GRI data.

As EPA has recently acknowledged, the 1996 EPA/GRI report is now over two decades old and was focused on the equipment and facilities used to produce natural gas. In the recent Proposed Rule, Oil and Natural Gas Sector: Emission Standards for New, Reconstructed, and Modified Sources Reconsideration 83 Fed. Reg. 52056 (October 15, 2018) – Docket ID No. EPA-HQ-OAR-2017-0483 (NPSP OOOOa), EPA acknowledged in the Background Technical Support Document that the 1996 EPA/GRI report "does not have specific information on major production and processing equipment counts for the gathering and boosting segment." TSD § 2.3.4 at 15-16. In short, the data from the 23-year old GRI study is not only outdated, but not from the G&B industry segment, and therefore the data should not under any circumstances be used to evaluate emissions from the G&B industry.

During a comment period for NSPS OOOOa, GPA Midstream highlighted EPA's clear error in relying on the 1996 EPA/GRI study to estimate emissions from the model midstream G&B plant. In order to counter the outdated, inapposite data from the EPA/GRI 1996 report, GPA Midstream gathered an inventory from member companies of equipment found at current-era G&B facilities.[1] This new data was, in part, gathered from the publicly available data found in the GHGRP, 40 CFR Part 98 Subpart W (Subpart W) for the G&B segment. However, because Subpart W (at 40 CFR Part 98.236(a)(9)) directs operators to report equipment types (separators, meters/piping, gathering compressors, in-line heaters and dehydrators) across a basin, GPA Midstream could not gather a per-site count directly from the reported data.[2] Accordingly, GPA Midstream solicited member companies to submit facility-level data. Table 1 below compares EPA's model plant (based on the 1996 data from non-G&B facilities) with GPA Midstream's updated model plant (based on current G&B facility data). EPA asserts that each facility has 11 separators, seven meters/piping, five gathering compressors, seven in-line heaters and five dehydrators. GPA Midstream's actual data demonstrates that EPA's numbers are not representative of current G&B facilities.

[1] GPA Midstream's comments and the supporting data are available on the NSPS OOOOa docket and are incorporated here by reference. https://www.regulations.gov/document?D=EPA-HQ-OAR-2017-0483-1261

[2] GPA Midstream has long advocated for Subpart W reporting for the GHG Reporting Rule to be on a per-facility basis. Had the regulation required equipment to be reported at an individual facility level and not a basin level, the data would have been even more precise in informing this rulemaking.

Table 1- Updated Gathering and Boosting Model Plant

Equipment	Model Plant (GRI)	GPA Model Plant
Separators	11	5
Meter/Piping	7	6
Gathering Compressors	5	3
In-Line Heaters	7	1
Dehydrators	5	1

GPA Midstream compiled its model plant from eight companies and includes 1,821 G&B sites. Due to the basin-wide reporting required by Subpart W, the data may overstate the actual number of meters at a typical G&B facility. Specifically, basin level reporting in Subpart W requires companies to report equipment outside of a traditional G&B facility boundary, such as meters located at production well sites where producers deliver gas to midstream operators. Hence, the rolled-up basin data in Subpart W for G&B facilities included meters located at production well pads. Depending on the size of the basin and the way in which companies document their inventory, GPA Midstream could not readily identify and separate out certain reported meters that are not within the G&B facility but are included in the basin data set. When this was the case, to be conservative in its approach, GPA Midstream used EPA's assumption of 7 meters/site. However, GPA Midstream believes this to be a conservatively high number.

If EPA continues to use a similar flawed methodology to count equipment when EPA prepares the Inventory as EPA used in its NSPS OOOOa support documents, the resulting emissions estimates will be biased high – potentially more than double what they should be, since there is a direct correlation between the size of a G&B facility (measured by the scope of equipment) and the total emissions per site of methane, VOCs, and Hazardous Air Pollutants (HAPs). Accordingly, to more accurately estimate midstream emissions, we urge EPA to utilize GPA Midstream's model plant equipment numbers which can be entered directly back into the calculation analysis and scaled up. At a minimum, EPA should utilize the data gathered from the reporting EPA has required industry to provide under Subpart W to inform the Inventory. If the data gathered in Subpart W is not useful, EPA should revise the reporting rule.

Conclusion

In short, GPA Midstream asks EPA to revise the methodology EPA uses to calculate GHGs for the midstream G&B segment of the natural gas production and distribution sector to reflect the current, more reliable data GPA Midstream has collected from the G&B segment and EPA's subpart W database. GPA Midstream stands ready to answer any questions the Agency

may have and looks forward to working with EPA to ensure the GHG data in the Inventory is a reliable estimate of GHG emissions from midstream sector.

Respectfully submitted,

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GPA Midstream Association