

COMMITTEE REPORTS

HEALTH, SAFETY & ENVIRONMENT COMMITTEE

Greg Schrab, SM Energy
and Jeff Atwood, Diamondback Energy

The PBPA's Health Safety and Environment (HSE) Committee met in person and virtually twice in the second quarter: May 10 and July 12. Greg Schrab, SM Energy, co-chaired the Environmental side of both meetings and Jeff Atwood, Diamondback Energy, co-chaired the health and Safety aspects of the meeting. The May 10 meeting included the following topics:

- **OSHA Heat Rule:** The dangers of extreme heat are getting progressively worse due to the impact of climate change, and they are modeling this after Cal-OSHA.
- **SSE programs:** How these programs are helping with new hire incidents.
- **Traffic in the Permian Basin:** How companies are using different driving programs to help with traffic incidents.
- **SIF's:** Why are the numbers are going up.
- **EPA Greenhouse Gas Reporting Program rule proposed revisions:** Includes numerous revisions to 40 CFR 98 Subpart W for the oil and gas production sector, including updated emission factors for gas pneumatic controllers and leaking components, and adding a new source for other large gas releases. The schedule is: published rule 6/21/22, original comment due date 8/22/22, extended to October 6, 2022; final rule expected 12/22, effective for CY 2023 with reporting due 3/31/24.
- **Clean Water Act Hazardous Worst Case Discharge Planning proposed rule:** The facility response plan requirements would apply to facilities that could reasonably be expected to cause substantial harm to the environment, based on their location. These include industrial facilities with a maximum onsite capacity of a CWA hazardous substance that meets or exceeds threshold quantities, located within a 0.5-mile radius of navigable water or conveyance to navigable water, and that meets one or more substantial harm criteria.
- **EPA OOOOb/c:** Discussion on scheduling a meeting with EPA rule writers on the proposed "methane" rules (summarized in the March HSE Committee report).

The July 12 meeting included the following topics:

- **Driving with a medical condition:** How companies are dealing with this issue; pre-employment medical testing.
- **Weather Preparedness:** How companies are dealing with the RRC (EOP) that is due August 1st.
- **Fit for Duty:** How companies are coping with new workers in the field.
- **EPA Permian Basin Ozone Attainment:** In the June/spring unified regulatory agenda, EPA noticed a discretionary redesignation of ozone attainment in the Permian, including certain counties in NM and TX. PBPA scheduled a briefing from TCEQ on June 30 on the EPA proposal (see summary below). There are also some Wild Earth Guardian legal actions, and EPA proposals on a consent decree and interstate transport FIP, that could impact the EPA actions on the NM side of the Permian.
- **EPA OOOOb/c:** A brief summary of the May 23 meeting with EPA was given (see summary of Stephen Robertson's 5/26 email recap below).
- **GHG Reporting Rule:** This proposed rule, which was discussed during the May 10 meeting, has now had the comment period extended to October 6. PBPA has formed a workgroup, with the first meeting scheduled for July 20, to begin discussion on potential PBPA comments on the proposal.
- **NM Environment Department Ozone Precursor Pollutants Rule:** On June 27, the New Mexico Environmental Improvement Board submitted its proposed new regulation on Ozone Precursor Pollutants to the New Mexico Environment Department. This is the next step in a process that has been ongoing for the last two years. This could also impact the EPA actions around ozone in the NM side of the Permian.

EPA OOOOa/b/c meeting: On May 23, a number of PBPA members and staff met virtually with a team from EPA to discuss several of our issues and concerns with EPA's proposed OOOOb/c methane rules. We reviewed the main points of the PBPA comment letter, including: Threshold and Existing Source Standard; OGI for LDAR, including Appendix K; Associated Gas flaring, including overlap with TX RRC regulation; Gas Pneumatics, as impacted by access to the electric grid as discussed in IHS Markit PTE by battery,

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and prescriptive requirements for State permits; Small Business impacts; Miscellaneous concerns, including flare costs and supply chain issues; and Closing Thoughts/Follow up Actions, including PBPA will supply IHS Market report to EPA (emailed on 5/26), EPA will send list of questions regarding EPA's economic assumptions (now coming after the supplemental proposal).

TCEQ Briefing on EPA Permian Ozone Attainment: On June 30, PBPA sponsored a TCEQ briefing on EPA's June notice of a discretionary redesignation of ozone attainment in the Permian. The TCEQ provided the current ozone NAAQS status, compliance, design values, monitor locations, revised designation process, SIP requirements for marginal nonattainment areas, and designation and nonattainment area SIP revision cycle.

Annual HSE & ESG Benchmarking Survey: During the second quarter of 2022, PBPA members participated in the HSE Committee's annual benchmarking survey. The survey will be finalized and the resulting data presented to committee members during Q3.