

COMMITTEE REPORTS

HEALTH, SAFETY & ENVIRONMENT COMMITTEE

Greg Schrab, SM Energy, & Jeff Atwood, Diamondback Energy

The PBPA's Health Safety and Environment (HSE) Committee met in person and virtually on September 13. Greg Schrab co-chaired the Environmental side, and provided updates on the following environmental regulatory topics:

- **EPA OOOOb/c:** The supplemental proposal, including actual rule language, was sent by EPA to the White House Office of Management and Budget on August 15. The next step will be publishing of the proposal in the Federal Register for public comment.
- **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.
- **SEC Climate-Related Disclosure Rule:** The comment period closed in June. The proposed rule requires reporting of GHG emissions, including Scope 1 emissions similar to the EPA GHG reporting rule, as well as Scope 2 and 3 emissions.
- **EPA OOOOa Annual Report:** A reminder that annual reports for OOOOa are due for submittal via EPA's CEDRI system by the end of October, for the compliance period of August 2021-July 2022.
- **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. The next step is for EPA to send letters to the Governors of TX and NM with its proposal.

Discussion of 2021 Benchmarking Survey Results/ESG: Greg Schrab provided a review and discussion of the ESG portion of the benchmarking survey. The ESG metrics included GHG, methane, flaring, and freshwater intensities, and water recycle rate for production operators, and GHG, methane, and flaring intensity for midstream operators. Top quartile and overall PBPA metrics were reviewed. For comparison purposes, the PBPA top quartiles for production operators for GHG, methane, and freshwater intensities are better than respective AXP top quartiles. Scott Russell, with Pioneer Natural Resources, provided a review of the safety and spills portion of the benchmarking survey. Regarding this information, the survey now covers data for 2015-2021. These metrics cover Employee Incidents and Vehicle Incidents for both operators and contractors, Unintentional Releases of produced water, hydrocarbons, and non-produced fluids. As with the ESG metrics, Top quartile and overall PBPA metrics were reviewed. The PBPA HSE Committee will be conducted recommended practices sharing utilizing the results of this year's survey.

EPA Greenhouse Gas Reporting Program rule proposed revisions work group meeting: On August 3, a workgroup within the HSE committee met to discuss development of a PBPA comment letter on these proposed rule revisions. Subsequent to that call, workgroup members have provided review and input for comments on the proposed revisions for the various sources in the rule, and Stephen Robertson has compiled this input into a detailed outline for development into the PBPA comment letter to EPA.