

Air Permitting Documents for Oil and Gas Industry Released by DEP

On November 30, 2017, the Pennsylvania Department of Environmental Protection announced the details of highly-anticipated changes to its air permitting program for the oil and gas industry. The Department released in final draft form two air program general permits, "GP-5" and "GP-5A," as well as a permit exemption known as "Exemption 38." Plans to revise the air permitting framework were first announced in January 2016 as part of Governor Tom Wolf's Methane Reduction Strategy for Pennsylvania. The recently updated permits and exemption are not yet in effect or legally binding, which means there may still be an opportunity to influence these critical air permitting documents.

The final draft permits and exemption will be presented to the DEP Air Quality Technical Advisory Committee (AQTAC) at a public meeting scheduled to occur on December 14, 2017 in Harrisburg, Pa. AQTAC advises DEP on the technical, economic and other social impacts of major program changes like this one. In addition to the AQTAC meeting, the Department is informally soliciting feedback from stakeholders to further refine GP-5, GP-5A and Exemption 38 before they become effective. DEP intends to finalize the permits and exemption in the first quarter of 2018 by publishing an official notice in the *Pennsylvania Bulletin*.

Also slated for discussion at the AQTAC meeting is a forthcoming rulemaking to reduce volatile organic compound (VOC) emissions from existing oil and gas industry sources. In October 2016, the U.S. Environmental Protection Agency finalized a "control techniques guidelines" document that provided states with recommendations for reducing VOC emissions from a range of equipment and processes used by the oil and gas industry. As a result, DEP has until October 2018 to submit regulations for EPA approval. DEP anticipates that this rulemaking will have a collateral effect of reducing methane emissions.

In addition to these oil and gas industry-specific measures, AQTAC will consider a more broadly applicable rulemaking related to air program fees. DEP is proposing to change its air program fee structure to address a funding deficit. This proposal is likely to increase the cost of air permitting in Pennsylvania. The fee proposal would impact the oil and gas industry, as well as other industries.

If you have questions regarding these changes to the Pennsylvania air program and the potential impact on your business, please contact Michael H. Winek at (412) 394-6538 or mwinek@babstcalland.com, Meredith Odato Graham at (412) 773-8712 or mgraham@babstcalland.com, or Gary E. Steinbauer at (412) 394-6590 or gsteinbauer@babstcalland.com.

CONTACT

MICHAEL H. WINEK mwinek@babstcalland.com 412.394.6538

MEREDITH ODATO GRAHAM

mgraham@babstcalland.com 412.773.8712

GARY E. STEINBAUER gsteinbauer@babstcalland.com 412.394.6590

Pittsburgh, PA Two Gateway Center 603 Stanwix Street Sixth Floor Pittsburgh PA 15222 412.394.5400

BABSTCALLAND.COM

PITTSBURGH, PA I CHARLESTON, WV I STATE COLLEGE, PA I WASHINGTON, DC I CANTON, OH I SEWELL, NJ

Babst Calland was founded in 1986 and has represented environmental, energy and corporate clients since its inception. The Firm has grown to more than 130 attorneys who concentrate on the current and emerging needs of clients in a variety of industry sectors. Our attorneys have focused legal practices in construction, corporate and commercial, creditors rights and insolvency, employment and labor, energy and natural resources, environmental, land use, litigation, public sector, real estate and transportation safety. For more information about Babst Calland and our practices, locations or attorneys, visit babstcalland.com.

This communication was sent by Babst Calland, headquartered at Two Gateway Center, Pittsburgh, PA 15222.

This communication is privately distributed by Babst, Calland, Clements and Zomnir, P.C., for the general information of its clients, friends and readers and may be considered a commercial electronic mail message under applicable regulations. It is not designed to be, nor should it be considered or used as, the sole source of analyzing and resolving legal problems. If you have, or think you may have, a legal problem or issue relating to any of the matters discussed, consult legal counsel.

This communication may be considered advertising in some jurisdictions. If you no longer wish to receive this communication, please email reply "Unsubscribe Environmental" to vlanda@babstcalland.com. To unsubscribe from all future Babst Calland marketing communications, please email reply "Unsubscribe All "to vlanda@babstcalland.com."