

Findings of Failure to Submit State Implementation Plan Revisions in Response to the Oil and Natural Gas Industry Control Techniques Guidelines for the 2015 Ozone National Ambient Air Quality Standards: Fact Sheet

ACTION

- On December 10, 2021, the U.S. Environmental Protection Agency (EPA) issued findings that New York and Pennsylvania have failed to submit complete State Implementation Plan (SIP) revisions to address volatile organic compound (VOC) emissions from certain existing oil and natural gas equipment and processes in their states.
- The states were required to address those sources under the 2016 Control Techniques Guidelines (CTG) for the Oil and Natural Gas Industry. EPA issued the CTG to assist states that are required to limit VOC emissions from covered oil and gas sources as part of their state plans for meeting EPA's national standards for ground-level ozone.
- Sections 182 and 184 of the Clean Air Act each require certain states to implement Reasonably Available Control Technology (RACT) to limit VOC emissions from existing sources covered by a CTG. EPA defines RACT as the lowest emissions limit a particular source can meet by applying technology that is reasonably available, considering both technological and economic feasibility. The requirement to implement RACT applies in ozone nonattainment areas classified as "Moderate" and above, and throughout states in the Ozone Transport Region.
- Both New York and Pennsylvania are part of the Ozone Transport Region and were required to submit plans addressing RACT for the 2015 ozone standards. In addition, New York was required to submit a plan for the New York portion of the New York-Northern New Jersey-Long Island ozone nonattainment area, which is classified as "Moderate" for the 2015 ozone standards. The plans were due to EPA by August 3, 2020.
- The "findings of failure to submit" establish a 24-month deadline for EPA to either approve SIPs or finalize Federal Implementation Plans addressing sources in these states covered by the CTG. The findings also establish timelines for the implementation of two mandatory sanctions that will take effect if New York and Pennsylvania do not submit complete SIPs to address the CTG, as required by the Clean Air Act:
 - Offset sanctions -- Eighteen months after the findings take effect, a 2-to-1 offset ratio for the nonattainment New Source Review (NSR) permitting program will go into effect. This means that for every unit of VOC or nitrogen oxide (NO_x) emissions that a new or modified source would contribute to the air in ozone nonattainment

areas in New York or Pennsylvania, twice as much VOC or NOx emissions must be reduced from other sources in the nonattainment area.

- Six months after offset sanctions go into effect (24 months after the findings become effective), federal highway funding may be withheld in nonattainment areas. Highway sanctions apply only in nonattainment areas.
- EPA is committed to working with New York and Pennsylvania to expedite the development and submission of the required SIP revisions addressing the Oil and Natural Gas Industry CTG, and to review and act on their submissions in accordance with the requirements of the Clean Air Act.

BACKGROUND

- On October 27, 2016, the U.S. EPA issued final CTGs for reducing smog-forming VOC emissions from existing oil and natural gas industry equipment and processes.
- CTGs are not regulations and do not impose legal requirements directly on pollution sources; rather, they provide recommendations for state and local air agencies to consider as they determine what emissions limits to apply to covered sources in their jurisdictions in order to meet RACT requirements.
- The requirement to implement RACT applies in ozone nonattainment areas classified as “Moderate” and above, and throughout the Ozone Transport Region. The Ozone Transport Region encompasses 11 northeast states and the metropolitan statistical area that includes Washington D.C. and portions of northern Virginia. The states are Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont.
- The 2016 CTG included EPA’s RACT recommendations for reducing VOC emissions from a range of equipment and processes used in the oil and natural gas production industry including: storage tanks, centrifugal and reciprocating compressors, pneumatic controllers, pneumatic pumps, and equipment leaks from natural gas processing plants. The guidelines also included RACT recommendations for reducing VOC leaks (also called fugitive emissions) at production gathering and boosting stations, and at oil and natural gas well sites.
- On November 16, , 2020, EPA found that several states had failed to submit SIPs in a timely manner to satisfy RACT requirements for the Agency’s 2008 ozone standards. Details on those findings are available at <https://www.epa.gov/ground-level-ozone-pollution/findings-failure-submit-state-implementation-plan-revisions-response> .

FOR MORE INFORMATION

- To read the Findings of Failure to Submit, <https://www.epa.gov/ground-level-ozone-pollution/finding-failure-submit-state-implementation-plans-2015-ozone-national> .
- For information about the 2016 CTG for the oil and natural gas industry, visit: <https://www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry/2016-control-techniques-guidelines-oil-and> .