

Proposed Rule

Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems



Actions

The U.S. Environmental Protection Agency (EPA) is proposing to amend the Petroleum and Natural Gas Systems source category (subpart W) of the Greenhouse Gas Reporting Program (GHGRP). The proposed amendments consist of four parts: revisions to address potential gaps in reporting of emissions data for specific sectors to ensure the reporting under subpart W reflects total methane emissions from the applicable facilities; revisions to add new emissions calculation methodologies or improve existing emissions calculation methodologies to ensure the reporting under subpart W is based on empirical data; revisions to reporting requirements to improve verification and transparency of the data collected; and technical amendments, clarifications, and corrections.

In addition, EPA is proposing confidentiality and reporting determinations for data elements proposed to be added or substantially revised as well as for existing data elements where no confidentiality determination has previously been made. These proposed determinations would establish whether data submitted to the EPA will be entitled to confidential treatment.



Background

The GHGRP, consistent with the Fiscal Year 2008 Consolidated Appropriations Act and promulgated under Clean Air Act (CAA) authority, requires reporting of greenhouse gas (GHG) data from certain large GHG emission sources, fuel and industrial gas suppliers, and CO₂ injection sites in the United States.

In August 2022 the Inflation Reduction Act of 2022 (IRA) was signed into law. Section 60113 of the IRA amended the CAA by adding section 136, "Methane Emissions and Waste Reduction Incentive Program for Petroleum and Natural Gas Systems." CAA section 136(h) requires that EPA shall, within two years after the date of enactment of section 60113 of the IRA, revise the requirements of subpart W to ensure the reporting under subpart W is based on empirical data, accurately reflects the total methane emissions (and waste emissions) from the applicable facilities, and allow owners and operators of applicable facilities to submit empirical emissions data, in a manner to be prescribed by the Administrator, to demonstrate the extent to which a charge is owed under CAA section 136.

EPA will be undertaking one or more separate actions in the future to implement the remainder of CAA section 136.



Proposed Revisions

EPA several amendments to include calculation methodologies and reporting requirements of additional emissions or emissions sources to address potential gaps in the total methane emissions reported per facility to subpart W. Based on recent analyses such as those conducted for the Inventory of U.S. Greenhouse Gas Emissions and Sinks and data newly available from atmospheric observations, we have become aware of potentially significant sources of emissions for which there are no current emission estimation methods or reporting requirements within subpart W. These sources include nitrogen removal units, produced water tanks, and crankcase venting. EPA is also proposing to require reporting from additional industry segments for certain emissions sources (e.g., blowdown vent stacks, natural gas pneumatic device venting, dehydrator vents, acid gas removal units) that are currently only required to be reported for some, but not all, of the industry segments in which those sources exist. Additionally, EPA is proposing to add a new emissions source, referred to as "other large release events," to capture abnormal emission events that are not

accurately accounted for using existing methods in subpart W.

EPA is proposing several revisions to add new or revise existing calculation methodologies to improve the accuracy of emissions data reported to the GHGRP, incorporate additional empirical data, and to allow owners and operators of applicable facilities to submit empirical emissions data that appropriately could demonstrate the extent to which a charge is owed in future implementation of CAA section 136, as directed by CAA section 136(h).

EPA is proposing several revisions to existing reporting requirements to collect data that would improve verification of reported data and ensure accurate reporting of emissions or improve the transparency of the data collected.

EPA is also proposing other technical amendments, corrections, and clarifications that would improve understanding of the rule. These revisions primarily include revisions of requirements to better reflect the EPA's intent or editorial changes.

With one exception, EPA is proposing that the revisions would become effective on January 1, 2025, and that reporters would implement the majority of the changes beginning with reports prepared for the 2025 reporting year and submitted by March 31, 2026. The exception is the proposed reporting of the quantities of natural gas, crude oil, and condensate produced that is sent to sale in the calendar year for each well permanently taken out of production (i.e., plugged and abandoned); under the proposal, those provisions would become effective on January 1, 2025, and reporters would include that information in their reports prepared for RY2024 and submitted by March 31, 2025



More Information

For more information on the GHGRP and an unofficial republication version of this action, please visit our Web site: <https://www.epa.gov/ghgreporting/rulemaking-notice-ghg-reporting>. The *Federal Register* notice for this proposal will be posted on this webpage when it is available.

There is a 60-day public comment period following publication of the proposal in the Federal Register. Detailed instructions on how to provide comments are located in the preamble of the proposed rule.