US ERA ARCHIVE DOCUMENT



Thure Cannon Executive Director

October 30, 2012

Via Electronic Mail
The Honorable Lisa P. Jackson, Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Re: Supplemental Request for Administrative Reconsideration of EPA's Final Rule "Air Quality Designations for the 2008 Ozone National Ambient Air Quality Standards" (77 Fed. Reg. 30,088 (May 21, 2012))

Dear Administrator Jackson:

I am writing to supplement Texas Pipeline Association's (TPA) Petition for Reconsideration, jointly filed with the Gas Processors Association and dated July 20, 2012, concerning EPA's designation of Wise County, Texas as nonattainment for the 2008 ozone NAAQS. TPA wishes to bring to your attention new information from the Texas Commission on Environmental Quality (TCEQ) confirming that EPA's decision regarding Wise County relied upon VOC emissions data that were severely in error and far too high. While we have not yet received a revised VOC tpy figure from TCEQ based on the new, lower emission factor discussed below, there is no doubt that the new figure will be materially lower.

The error can be explained as follows. One of the bases for EPA's decision was the National Emissions Inventory (NEI) data concerning Wise County VOC emissions submitted by TCEQ. See TSD at 6-7. Those NEI data, in turn, resulted from TCEQ's use of a 33.3 lbs VOC/bbl emission factor for condensate storage tanks. The 33.3 lbs VOC/bbl emission factor was derived from a 2006 study prepared by URS Corporation for the Houston Advance Research Center (HARC). The URS / HARC study was widely considered to be erroneous, and the 33.3 lbs VOC/bbl emission factor was viewed as being far too conservative and thus too high.

The use of an inappropriately high emission factor results in emissions inventory data that are also erroneously high. In the case of Wise County, TCEQ's use of the 33.3 lbs VOC/bbl emission factor caused it to derive a VOC emissions figure that was unrealistically high (17,609 tpy), which figure was reported by TCEQ to NEI and to EPA. EPA relied on that inflated data in its assessment of Wise County VOC emissions. See TSD at 6-7; Table 3.

Responding to widespread criticism of the 33.3 lbs VOC/bbl emission factor, TCEQ recently contracted with Eastern Research Group (ERG) to conduct a new study on condensate

storage tank emissions. The purpose of the study was to develop updated county- and region-specific emission factors for estimating condensate storage tank emissions for each of the regions in Texas. ERG analyzed an extensive amount of information, much of which had become available since the URS / HARC report was issued. Among the information analyzed by ERG was TCEQ's Barnett Shale Phase II Special Inventory data; available literature containing data on emissions testing and emissions estimates for condensate tanks in Texas; the results of phone surveys of Texas condensate producers; and additional data on emissions estimates obtained from several recent studies evaluating condensate storage tank emissions.

TCEQ published the ERG report on October 24, 2012. The information in that report makes clear that the Wise County VOC emissions figure of 17,609 tpy is significantly overstated. Most important is ERG's conclusion that the appropriate Production Weighted Emission Factor for use in Wise County is 9.76 lbs VOC/bbl – not the 33.3 lbs VOC/bbl factor contained in the URS / HARC report. When the correct, and significantly lower, emissions factor for Wise County is applied, the 17,609 tpy VOC figure relied upon by EPA will be significantly lower.

This is an important new development revealing a substantial error in the factual basis underlying EPA's nonattainment decision for Wise County. In summarizing its decision, EPA pointed to two emissions figures for Wise County – the NOx figure and the 17,609 tpy VOC figure – referring to "the high growth of these emissions" and stating that "the close proximity of these comparatively high emissions to violating monitors indicates that this county should be included in the nonattainment area." TSD at 23. Clearly EPA's belief that Wise County accounted for 17,609 tpy VOC played an important part in its nonattainment decision. But the assumption that "comparatively high" emissions in one county probably resulted in a violation at a monitor in a different county – already a questionable assumption in light of a dearth of real-world wind trajectory evidence to support it — is further undermined when the emissions figure at issue is substantially reduced.

We urge EPA to carefully consider the new information from ERG which, we submit, provides ample justification for EPA to reconsider its previous decision and to conclude that Wise County should be designated as attainment / unclassifiable for the 2008 ozone NAAQS.

Thure Cannon

Yours truly,

Executive Director

¹ The report may be viewed at the following link: http://www.tceq.texas.gov/assets/public/implementation/air/am/contracts/reports/ei/CondensateTank.pdf.

² Commenters including TPA previously pointed out that, over a four-year period, wind trajectory data show only three days when winds flowed out of Wise County toward a violating monitor, and further that wind history data strongly suggest that the high ozone readings at those monitors on those days primarily resulted from emission sources located outside of Wise County. See TPA comments (EPA-HQ-OAR-2008-0476-0403), February 2, 2012, at 31.

cc (via electronic mail):

Hon. Troy Fraser, Chairman, Committee on Natural Resources, Texas Senate

Hon. Wayne Smith, Chairman, Committee on Environmental Regulation, Texas House of Representatives

Ron Curry, Region 6 Administrator, Environmental Protection Agency

Jessica O'Donnell, United States Department of Justice

Mark Walters, Office of the Attorney General, State of Texas

Linda Secord, Office of the Attorney General, State of Texas

David Duggins, counsel, Texas Pipeline Association

Celina Romero, counsel, Texas Pipeline Association

Matthew Paulson, counsel, Targa Resources Corp.

Timothy Webster, counsel, Devon Energy Corp.

Roger Martella, counsel, Devon Energy Corp.

William Wehrum, counsel, Gas Processors Association

Reed D. Rubinstein, counsel, Wise County

Vickie Patton, counsel, Environmental Defense Fund

Peter Zalzal, counsel, Environmental Defense Fund