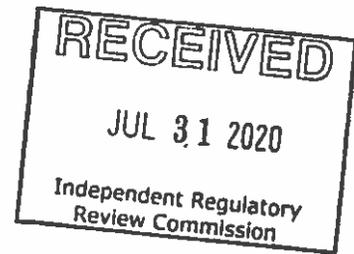


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**Testimony for Control of VOC Emissions  
from Oil and Natural Gas Sources**

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Good evening. My name is Jonathan Lutz. I am the Associate Director of the Associated Petroleum Industries of Pennsylvania, a division of the American Petroleum Institute.

API is the only national trade association representing all facets of the natural gas and oil industry, which supports 10.3 million U.S. jobs and nearly 8 percent of the U.S. economy. API's more than 600 members provide most of the nation's energy and are backed by a growing grassroots movement of millions of Americans.

API is also a standard setting organization. For over 90 years, API has led the development of petroleum and petrochemical equipment and operating standards. These standards represent the industry's collective wisdom on everything from drill bits to environmental protection, and embrace proven, sound, engineering and operating practices and safe, interchangeable equipment and materials for delivery of this important resource to our nation. API maintains more than 700 standards and recommended practices. Many of these are incorporated into state and federal regulations. API encourages and participates in the development of state regulations and other regulatory documents that are protective of public health and safety, the environment, and the industry workforce. In this context, API-PA is happy to work with the PA Department of Environmental Protection to reduce emissions from natural gas and oil sources.

I also want to point out that our industry has been leading efforts to reduce methane and greenhouse gas emissions as well. Industry established initiatives like The Environmental Partnership are demonstrating action-oriented, cost-effective approaches to reducing emissions of methane and volatile organic compounds across the industry. This collaboration, now in its third year, includes 83 members – with 36 of the top 40 U.S. producers of natural gas, where partners share expertise and technologies in a voluntary effort to reduce emissions from our operations.

And efforts like these are working; according to the EPA's latest Greenhouse Gas Inventory (GHGI), overall, methane emissions from petroleum and natural gas systems declined 23% between 1990 to 2018, even as U.S. natural gas production increased more than 70 percent over the same period.

Accordingly, our industry has been delivering climate solutions while also providing energy that powers economies and raises standards of living and we continue to support well-designed policies to address the risks of climate change and further innovation to reduce GHGs. Through new technologies, innovation and well-designed policies to address the risks of climate change, we can continue to safely and smartly harness U.S. energy reserves, which will help power the country's economic comeback and make Americans' lives better, while lowering emissions.

Therefore, we appreciate the department's efforts in drafting this rulemaking and we look forward to working with DEP to improve upon this measure in areas where we have

questions and concerns. For example, while we are encouraged by the department's "step down" with regard to LDAR frequency for well sites that show low leak rates, questions remain with respect to inspection frequency across the plan and although we understand the importance of inspections, some appear to have no environmental benefit, or could even result in an increase in VOC emissions. In this respect, we believe that for existing well sites subject to this rulemaking, the LDAR inspection frequency should be less frequent, allowing further step downs for low leak rate sites would be appropriate.

It should also be noted that the regulation does not distinguish between wet and dry gas, which are found in different regions across the commonwealth. Dry gas could be exempted from these requirements as its VOC content is below the limits sought in this rulemaking. If exempted, this proposed regulation would avoid introducing significant costs to both the department and the regulated community with no associated reduction in VOC emissions.

Finally, EPA noted in the proposed CTG withdrawal, "the EPA is currently looking broadly at the 2016 New Source Performance Standards. In light of the fact that the EPA is reconsidering the 2016 NSPS and because the recommendations made in the CTG are fundamentally linked to the conclusions in the 2016 NSPS, the EPA believes it is prudent to withdraw the CTG in its entirety." API agrees with the EPA and submitted substantive comments on the proposed CTG withdrawal that, if not withdrawn, support further changes to reflect what emission controls are appropriate for existing oil and natural gas industry sources. The NSPS rule is at the Office of Management and Budget now and is

expected this summer. The PA DEP should allow the reconsideration of the NSPS and any subsequent changes to the CTGs to inform the PA DEP efforts.

As natural gas producers, we have an economic incentive to reduce waste and limit emissions of the product we sell, and we support sound policies in this same regard. Accordingly, we will submit more robust written comments detailing our concerns and suggestions. We encourage DEP to incorporate our recommendations and, whenever possible, to continue to work with us in a collaborative fashion to improve both Pennsylvania's environment and economic climate.

Thank you.