



Proposed rule gives feds undue authority over offshore air

Here we go again.

With only five months until a new president takes office, the current administration is taking another swing at the offshore oil and gas industry. This latest punch is once again an overreaching, misguided rule developed with limited public input that drastically impacts the future sustainability of our domestic energy supply with no apparent benefits. Unfortunately, hits like these keep on coming, and no one feels them more than our American energy workers whose jobs depend on a vibrant oil and gas industry.

Earlier this year, we told you about the proposed new well control rule that was technically flawed and could have unintended consequences that further risk safety in the Gulf and result in huge economic losses to communities that service the offshore industry. With very limited public input and despite pleas from coastal communities, the troubling well control rule was finalized and issued by the Department of Interior (DOI) in April.

This time, DOI's BOEM is aggressively overextending its authority over offshore

air quality with a rule that will significantly increase the tracking, reporting and regulation of air emissions in the Gulf without any measureable benefits to air quality in our communities here at home.

On April 5, BOEM published the 350-page proposed rule on Air Quality Control, Reporting and Compliance, which revises the agency's existing air quality regulations on offshore oil and gas operations and unnecessarily increases operators' compliance burden. More specifically, the rule requires tracking and reporting emissions of all pollutants defined by the EPA, applies National Ambient Air Quality Standards to all offshore facilities and support vessels, expands recordkeeping and performance measures; changes requirements for what emissions must be reported in operators' plans and replaces the air pollution control standards in current regulations.

The rule also requires vessel operators, for the first time, to record and report vessel emissions that will then be attributed as emissions from the Outer Continental Shelf (OCS) stationary facility itself. This is above and beyond what EPA requires

for land-based facilities and would be akin to EPA tracking the emissions of trucks and trains and attributing those emissions to the factory receiving what the trucks and trains delivered.

One of the most disturbing aspects of the new air rule is the fact BOEM lacks any environmental justification for the rule and studies expected to confirm the rule is unnecessary are underway. In fact, the agency's own 2015 environmental assessment for the proposed rule stated, "On the whole, however, OCS operations have minimal impact on the air quality onshore." In addition, environmental impact statements for the current OCS leasing program state impacts of OCS operations on onshore air quality will be insignificant.

Furthermore, the new air rule goes well beyond EPA and state air quality permitting rules. States have primary responsibility for determining whether OCS emissions sources are significant or will impact a state's attainment of air quality standards. BOEM, however, did not consult state agencies like the Louisiana Department of Environmental Quality as the rule was draft-

ed. And Louisiana and other states bordering OCS lease areas have concluded offshore emissions sources have no impacts on their abilities to achieve attainment with federal air quality standards.

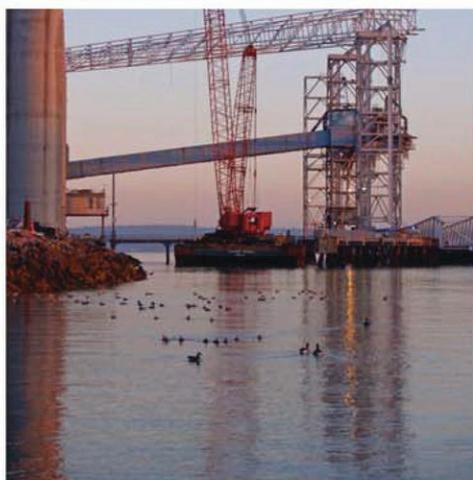
While states weren't consulted, neither were citizens given ample opportunity to participate in the proposed air rule. BOEM initially offered a mere 60-day comment period on the proposal, despite its length and complexity. Numerous organizations requested an additional 120 days to appropriately review and comment but were allowed only an additional 14 days. The comment period ended June 20.

So now we brace ourselves for the costs, complexities and burdens of another excessive federal regulation that at this time cannot even be fully estimated.

And as more federal rules impacting offshore oil and gas are expected to unfold in these waning months of the current administration, LMOGA is ready to respond to protect and preserve American jobs dependent on a vibrant Gulf energy industry.

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