

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE

December 10, 2010

American Petroleum Institute **ATTN: Roger Claff, P.E.** Sr. Scientific Advisor 1220 L Street, Northwest Washington, DC 20005-4070 (SENT VIA EMAIL)

RE: SPCC concerns related to gas plants

Dear Roger,

Thank you and the members of the API upstream SPCC committee for taking the time to meet with my staff on November 10, 2010 to discuss concerns raised in your June 28, 2010 letter. I also appreciate your willingness to provide my staff additional time to address your letter and concerns in light of the unprecedented resource impacts the Deep Water Horizon incident had on our office. The meeting was timely; as it provides a year until the compliance date arrives to further clarify any applicability concerns for facility specific SPCC provisions regarding gas plants/compression stations.

As discussed in the meeting and in comments my staff provided to the *API Bulletin D-16* document submitted April 28, 2010, gas plants are generally not considered oil production facilities under the SPCC rule and are therefore subject to the facility specific requirements under 40 CFR part 112.8 rather than 112.9. Although not specifically addressed in your letter, you also raised concerns regarding gas compression stations and the applicability of the facility specific SPCC requirements. As with gas plants, gas compression stations are not generally considered oil production facilities under the SPCC rule and are therefore subject to the facility specific requirements under 40 CFR part 112.8 rather than 112.9.

We share your concerns about providing a consistent interpretation of the rule with regard to the applicability of facility specific SPCC requirements at gas plants. We have discussed the application of the facility specific requirements to gas plant and compression stations with regional office personnel, and are confident inspection personnel are consistently interpreting the

regulation as described above. With almost a year to work collaboratively on guidance on this issue, we look forward to working with you on text and examples that address site specific issues which may be incorporated into the *API Bulletin D-16* document and/or future EPA guidance.

Again, thank you for bringing your concern to our attention. Please call Mark W. Howard at 202-564-1964 with any questions.

Sincerely;

R. Craig Matthiessen, PE, FAIChE

Director

Regulation and Policy Development Division

CC: Regional Oil Program Managers

James Bove, OGC David Drelich, OECA