



**Interstate Natural Gas Association of America**

Submitted via [www.regulations.gov](http://www.regulations.gov)  
Docket No. EPA-HQ-OAR-2018-0048

October 8, 2019

Ms. Jessica Montañez  
Air Quality Policy Division  
Office of Air Quality Planning and Standards (C504-03)  
U.S. Environmental Protection Agency  
Research Triangle Park, NC 27711

Re: Docket ID No. EPA-HQ-OA-2018-0048  
Prevention of Significant Deterioration (PSD) and Nonattainment New Source Review  
(NNSR): Project Emissions Accounting, 84 Fed. Reg. 39,244 (Aug. 9, 2019)

Dear Ms. Montañez:

The Interstate Natural Gas Association of America (“INGAA”), a trade association that represents members of the interstate natural gas pipeline industry, respectfully submits these comments on the United States Environmental Protection Agency’s (“EPA”) proposed rule, PSD and NNSR Project Emissions Accounting (“Proposed Rule”). 84 Fed. Reg. 39,244 (Aug. 9, 2019). The Proposed Rule would clarify that the NSR applicability analysis allows both emission increases and decreases related to a proposed project to be considered in the first step (Step 1) of an NSR major modification applicability test. INGAA is submitting this letter in support of the Proposed Rule.

INGAA is a non-profit trade association that advocates regulatory and legislative positions of importance to the natural gas pipeline industry in the United States. INGAA member companies transport more than 95 percent of the nation’s natural gas through a network of nearly 200,000 miles of interstate natural gas pipelines. Natural gas is a vital component of the United States economy. It is used for heating homes, cooking, drying clothes and as a chemical feedstock to manufacture plastics, fertilizer, and other chemicals and products. It also helps diversify the nation’s energy portfolio by providing a reliable source of energy generation. The interstate pipeline network serves as an indispensable link between natural gas producers and the American homes and businesses that use natural gas.

The Proposed Rule would clarify the requirements to include both emission increases and decreases related to a proposed project in the first step (Step 1) of an NSR applicability test, and

more clearly codify EPA guidance from a March 2018 EPA memorandum titled “Project Emissions Accounting Under the New Source Review Preconstruction Permitting Program.”<sup>1</sup>

INGAA supports this proposed rulemaking and concurs that this regulatory action is necessary and appropriate. INGAA’s members believe that the proposed changes to the project emissions accounting would streamline the permitting process while preserving congressional intent under this preconstruction permit program. INGAA supports taking this action through rulemaking because relying on interpretive, non-binding, and sometimes conflicting guidance can cause concerns about compliance. Codifying this action in final regulations will help provide the regulated community with the assurance they need to move forward with replacing old equipment with more efficient, lower emitting equipment.

INGAA’s comments below identify the section heading in the proposed rule where EPA is seeking input.

### **III.B. Revising the Step 1 Applicability Regulations for Projects That Involve Multiple Types of Emissions Units To Provide Clarity on These Applicability Procedures**

INGAA agrees that the reference to the “sum of the emissions increases for each emission unit” in 40 C.F.R. § 52.21(a)(2)(f) created ambiguity that led to erroneous interpretations of the requirement such that only emission increases were considered under Step 1 of the applicability test. INGAA supports EPA’s proposed revision to replace “sum of the emission increases” with the “sum of the difference” and to introduce clarifying language that sum of the difference includes both increases and decreases in emissions. As further explained below, to remove any further ambiguity, INGAA encourages EPA to include additional language in the regulation to clarify the scope of the project in the applicability analysis.

### **III.D. Implementation of Project Emissions Accounting Under Step 1 of the NSR Applicability Regulations**

1. Defining the Scope of a Project – INGAA supports the general premise that the scope of a project rests within the reasonable discretion of the source owner or operator. INGAA agrees that, unlike the project aggregation action and related concerns with circumventing NSR, activities within the scope of a project need not be “substantially related” to be included in a Step 1 applicability test. INGAA also believes, similarly to EPA, that the expansion of the scope of a project will incentivize source owners or operators to undertake activities that will reduce overall emissions.

With respect to the proposed alternative approach, where EPA proposed requiring that the activities must be substantially related to be considered in a Step 1 analysis, INGAA believes this approach is suboptimal and may result in source owners forgoing certain projects that would result in emission decreases. Regardless of which approach EPA adopts in the final rule, the regulation must be clear regarding the extent of interrelatedness for project activities to be considered in a Step 1 and EPA should provide guidance regarding how to make such a determination.

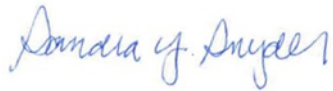
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<sup>1</sup> Guidance memorandum from E. Scott Pruitt, EPA Administrator, to EPA’s Regional Administrators, “Project Emissions Accounting Under the New Source Review Preconstruction Permitting Program,” Mar. 2018.

2. Monitoring, Recordkeeping and Reporting of Emissions Decreases During Step 1 of the Applicability Regulations – INGAA agrees that the rule should remain as is with respect to monitoring, recordkeeping, and reporting. The current requirements under § 52.2(r)(6) are appropriate and sufficient to enforce major NSR provisions.

INGAA appreciates the opportunity to comment on this rulemaking. If you have any questions, please feel free to contact me at [ssnyder@ingaa.org](mailto:ssnyder@ingaa.org) or 202-216-5955. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Sandra Y. Snyder". The signature is written in a cursive, flowing style.

Sandra Y. Snyder  
Senior Regulatory Attorney, EH&S  
Interstate Natural Gas Association of America