

# Gulf Coast Environmental Affairs Group

## Regulatory Update May 2010

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## Federal Register

<b>1. Annular Casing Pressure Management for Offshore Wells</b>	
Agency: <b>Minerals Management Service</b>	Published: <b>May 4, 2010</b>
Action Detail: <b>Final rule.</b>	Citation: <b>None.</b>
<p>Date Description:            Effective Date: This rule becomes effective on June 3, 2010. The incorporation by reference of the publication listed in the regulation is approved by the Director of the Federal Register as of June 3, 2010.</p>	
<p>Summary:            This final rule will establish regulations to address sustained casing pressure in oil and gas wells completed in the OCS. Sustained casing pressure is a problem that, if left untreated, could cause serious harm to human life and the environment. The final rule establishes criteria for monitoring and testing of wells with sustained casing pressure, and incorporates the American Petroleum Institute's Recommended Practice for managing annular casing pressure. New regulations are needed because the current regulations do not adequately address the requirements for wells that have sustained casing pressure. This rule will promote human safety and environmental protection, and require OCS lessees to follow best industry practices for wells with sustained casing pressure.</p> <p>On July 31, 2009, MMS published the proposed rule Annular Casing Pressure Management for Offshore Wells (74 FR 38147). The comments received on the rule were supportive of the actions proposed. There are no changes between the proposed and final rule language. There are also no changes to the procedural matters discussion regarding information collection requirements, cost estimates, benefits, or impacts to small entities.</p> <p>Sustained casing pressure (SCP) is pressure between the casing and the well's tubing, or between strings of casing, that rebuilds after being bled down. The SCP represents an ongoing safety hazard and can cause serious or immediate harm or damage to human life, the marine and coastal environment, and property. The oil and gas industry in the Gulf of Mexico (GOM) has suffered serious accidents as a result of high SCP, and the lack of proper control and monitoring of these pressures. With over 8,000 affected wells in the GOM with SCP in at least one annulus, immediate elimination of all SCP has proved to be impractical and exceedingly costly. The MMS has sought to identify and eliminate SCP in cases that represent a clear hazard to the safety of personnel or the environment, and establish a monitoring system for the rest, all the while working towards elimination of the problem.</p> <p>The MMS is currently addressing the issue of casing pressure in a 1994 Letter to Lessees (LTL) and a 2009 Notice to Lessees (NTL), 2009 G-22. Both of these policy documents will be rescinded once the final rulemaking becomes effective. Included in this final rule is the incorporation of a jointly developed industry standard that addresses management of casing pressure. The American Petroleum Institute (API), industry, and MMS have worked collectively to produce API Recommended Practice (RP) 90. As explained in API RP 90, Section 3, Annular Casing Pressure Management Program, this RP is based on establishing an annular casing pressure management program that filters out non-problematic wells that present an acceptable level of risk, thus allowing for a more focused effort on wells that are problematic. The management program, as outlined in API RP 90, includes monitoring, diagnostic testing, determining maximum allowable wellhead operating pressure (MAWOP) for each annulus, documentation, and risk assessment considerations.</p>	



**2. Houston/Galveston Navigation Safety Advisory Committee**Agency: **United States Coast Guard**Published: **May 4, 2010**Action Detail: **Notice of meeting.**Citation: **None.**

## Date Description:

The Committee will meet on Tuesday, May 25, 2010 from 9 a.m. to 12 p.m. The Committee's working groups will meet on Tuesday, May 11, 2010 from 9 a.m. to 12 p.m. Written material and requests to make oral presentations should reach the Coast Guard on or before May 18, 2010. Requests to have a copy of your materials distributed to each member of the committee or working group should reach the Coast Guard on or before May 10, 2010.

## Summary:

The Houston/Galveston Navigation Safety Advisory Committee ("HOGANSAC" or "the Committee") and its working groups will meet in Houston, Texas to discuss waterway improvements, aids to navigation, area projects impacting safety on the Houston Ship Channel, and various other navigation safety matters in the Galveston Bay area. All meetings will be open to the public.

**3. Notice on Outer Continental Shelf Oil and Gas Lease Sales**Agency: **None.**Published: **May 6, 2010**Action Detail: **List of Restricted Joint Bidders.**Citation: **None.**

## Summary:

Each entity within one of the following groups shall be restricted from bidding with any entity in any other of the following groups at OCS oil and gas lease sales to be held during the bidding period May 1, 2010, through October 31, 2010. The List of Restricted Joint Bidders published in the Federal Register on November 23, 2009, covered the period November 1, 2009, through April 30, 2010.

**Group I.**

Exxon Mobil Corporation, ExxonMobil Exploration Company

**Group II.**

Shell Oil Company, Shell Offshore Inc., SWEPI LP, Shell Frontier Oil & Gas Inc., Shell Onshore Ventures Inc. SOI Finance Inc., Shell Rocky Mountain Production LLC, Shell Gulf of Mexico Inc.

**Group III.**

BP America Production Company, BP Exploration & Production Inc., BP Exploration (Alaska) Inc.

**Group IV.**

Chevron Corporation, Chevron U.S.A. Inc., Chevron Midcontinent, L.P., Unocal Corporation, Union Oil Company of California, Pure Partners, L.P.

**Group V.**

ConocoPhillips Company, ConocoPhillips Alaska, Inc., ConocoPhillips Petroleum Company, Phillips Pt. Arguello Production Company, Burlington Resources Oil & Gas Company L.P., Burlington Resources Offshore Inc., The Louisiana Land and Exploration Company, Inexco Oil Company

**Group VI.**

Eni Petroleum Co. Inc., Eni Petroleum US LLC, Eni Oil US LLC, Eni Marketing Inc., Eni BB Petroleum Inc., Eni US Operating Co. Inc., Eni BB Pipeline LLC.



**Group VII.**

Petrobras America Inc., Petroleo Brasileiro S.A.

**Group VIII.**

StatoilHydro ASA, Statoil Gulf of Mexico LLC, StatoilHydro USA E&amp;P, Inc., StatoilHydro Gulf Properties Inc.

**4. Outer Continental Shelf (OCS) Mid-Atlantic Proposed Oil and Gas Lease Sale 220**Agency: **Minerals Management Service**Published: **May 7, 2010**Action Detail: **Notice of indefinite postponement of comment period on and cancellation of public meetings to scope for an Environmental Impact Statement (EIS) for Proposed Mid-Atlantic Oil and Gas Lease Sale 220.**Citation: **None.**

## Date Description:

On April 29, 2010, MMS published a notice in the Federal Register announcing the continuation of scoping for a 45-day period and that three public meetings were scheduled on:

May 12 at Hilton Norfolk Airport in Norfolk, Virginia;

May 25 at Princess Royale Oceanfront Hotel and Conference Center, Ocean City, Maryland; and

May 27 at Elizabeth City State University Fine Arts Complex in Elizabeth City, North Carolina.

These meetings are cancelled.

## Summary:

This Notice serves to cancel scoping meetings and to postpone the comment period on scoping for Sale 220 until further notice. Three public scoping meetings that had been scheduled on May 12, 25, and 27, in the Federal Register to solicit information to assist MMS in preparing an EIS to evaluate potential environmental effects of proposed Lease Sale 220 are hereby cancelled. Also, the public scoping meeting scheduled for May 12, 2010, in Norfolk, Virginia, to solicit public input on both Sale 220 and the Geological & Geophysical Programmatic EIS on the Mid- and South Atlantic OCS (G&G PEIS) is hereby cancelled. This Notice does not affect the public scoping period for the G&G PEIS. The scoping period for that PEIS ends on May 17, 2010 (see 75 FR 16830).

Pursuant to the regulations implementing the procedural provisions of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq) (NEPA), MMS had reopened the scoping comment period on the EIS for proposed Lease Sale 220 for a period of 45 days from the date of the Federal Register notice on April 29, 2010. The closing date for scoping under that notice was to be June 14, 2010. The scoping period for Lease Sale 220 is now postponed until or unless MMS provides further notification.

**5. Pipeline Safety: Implementation of Electronic Filing for Recently Revised Incident/Accident Report Forms for Distribution Systems, Gas Transmission and Gathering Systems, and Hazardous Liquid Systems**Agency: **Pipeline and Hazardous Materials Safety Administration**Published: **April 29, 2010**Action Detail: **Notice; Issuance of Advisory Bulletin**Citation: **None.**

## Summary:

This notice advises owners and operators of gas pipeline facilities and hazardous liquid pipeline facilities that the new incident/accident report forms for their pipeline systems are now available for electronic filing.

The new online system is for incidents/accidents occurring on or after January 1, 2010. The old online system is still available



for filing supplemental reports for incidents/accidents that occurred prior to January 1, 2010, and is still the system for filing annual reports and Gas Integrity Management Program (IMP) reports. Incidents and accidents that were previously filed in hard copy are being entered by PHMSA staff and should not be reentered by the operator into the system.

PHMSA notes that for hazardous liquid small releases (the areas shaded in gray on the hard copy version of the hazardous liquid accident form), the new online system will accept reporting and does the required logic checks for small releases (those under five barrels that do not involve a fatality, injury, property damage of \$50,000 or more, as described in 49 CFR 195.50). However, the new online system does not exclude or hide questions that are not applicable to small releases. Therefore, PHMSA recommends that operators who report such events follow the shaded sections on the hard copy accident form and the guidance provided in the hard copy instructions while entering those events with the online system until a system enhancement is in place to further streamline the online reporting process.

**6. Update of Revised and Reaffirmed Documents Incorporated by Reference**

Agency: **Minerals Management Service**

Published: **April 28, 2010**

Action Detail: **Final rule.**

Citation: **None.**

Date Description:

This final rule is effective May 28, 2010. The incorporation by reference of publications listed in the regulation is approved by the Director of the Federal Register as of May 28, 2010.

Summary:

This final rule incorporates 21 revised editions and 17 reaffirmed editions of documents previously incorporated by reference in regulations governing oil and gas and sulphur operations in the OCS. Additionally, this final rule will rectify an incorrect reference to American Petroleum Institute (API) 510. The revised and reaffirmed editions of these documents will ensure that lessees use the best and safest technologies available while operating in the OCS.

**7. Semiannual Regulatory Agenda**

Agency: **Department of the Interior**

Published: **April 26, 2010**

Action Detail: **Semiannual regulatory agenda**

Citation: **None.**

Summary:

This notice provides the semi annual agenda of rules scheduled for review or development by the Department of the Interior between spring 2010 and fall 2010.

Among this year's agenda is an MMS rule that would establish timely submission requirements for decommissioning and abandonment plans, and establish deadlines for decommissioning permits. The rule would also implement timeframes and clarify requirements for plugging and abandonment of idle wells and decommissioning idle facilities



<b>8. Spring 2010 Regulatory Agenda</b>	
Agency: <b>Environmental Protection Agency</b>	Published: <b>April 26, 2010</b>
Action Detail: <b>Semiannual regulatory flexibility agenda and semiannual regulatory agenda.</b>	Citation: <b>None.</b>
<p>Summary:                      The EPA publishes the Semi-annual regulatory agenda online at <a href="http://www.reginfo.gov">www.reginfo.gov</a> to update the public about:</p> <ol style="list-style-type: none"> <li>1. Regulations and major policies currently under development</li> <li>2. Reviews of existing regulations and major policies</li> <li>3. Rules and major policy makings completed or canceled since the last agenda.</li> </ol> <p>The current agenda includes actions regarding the following:</p> <ul style="list-style-type: none"> <li>• Taking Action on Climate Change</li> <li>• Improving Air Quality</li> <li>• Assuring the Safety of Chemicals</li> <li>• Cleaning Up Our Communities</li> <li>• Protecting America’s Waters</li> <li>• Expanding the Conversation on Environmentalism and Working for Environmental Justice</li> <li>• Building Strong State and Tribal Partnerships</li> </ul>	

<b>9. Towing Safety Advisory Committee; Vacancies</b>	
Agency: <b>United States Coast Guard</b>	Published: <b>April 21, 2010</b>
Action Detail: <b>Request for applications.</b>	Citation: <b>None.</b>
<p>Date Description:                      Completed application forms should reach us on or before May 21, 2010.</p>	
<p>Summary:                      The Coast Guard seeks applications for membership on the Towing Safety Advisory Committee (TSAC). TSAC advises the Coast Guard on matters relating to shallow-draft inland and coastal waterway navigation and towing safety.</p> <p>TSAC is a Federal advisory committee under to the Secretary of Homeland Security on shallow-draft inland and coastal waterway navigation and towing safety. This advice also assists the Coast Guard in formulating the position of the United States in advance of meetings of the International Maritime Organization.</p> <p>TSAC meets at least twice a year around towing industry populations and in the Washington DC area. It may also meet for extraordinary purposes. Subcommittees and workgroups may conduct intersessional telephonic meetings when necessary for specific tasking. The committee membership includes representatives of the Barge and Towing Industry, the Offshore Mineral and Oil Supply Vessel Industry, Maritime Labor, Shippers (shipment of oil or hazardous materials by barge), Port Districts, Authorities, or Terminal Operators, and the General Public.</p>	



**10. Interagency Coordinating Committee on Oil Pollution Research (ICCOPR); Public Meeting**Agency: **United States Coast Guard**Published: **April 20, 2010**Action Detail: **Notice of meeting.**Citation: **None.**

Date Description: The Committee will meet on Wednesday, May 19, 2010, from 9 a.m. to 12 p.m. (noon). Written material and requests to make oral presentations or to have a copy of your material distributed to the committee should reach the Coast Guard on or before May 7, 2010.

**Summary:**

The Interagency Coordinating Committee on Oil Pollution Research (ICCOPR) will hold a public meeting in Seattle, Washington to hear comments on the priorities of oil pollution research, including projects in the Arctic environment. This meeting is designed to give the public an opportunity to provide statements as to where the ICCOPR, a Federally mandated committee, should focus their efforts concerning oil pollution research. This meeting will be open to the public.

The Oil Pollution Act of 1990 (OPA 90) established the Interagency Coordinating Committee on Oil Pollution Research. The purpose of the Interagency Committee is twofold:

- (1) To prepare a comprehensive, coordinated Federal oil pollution research and development (R&D) plan; and
- (2) to promote cooperation with industry, universities, research institutions, State governments, and other nations through information sharing, coordinated planning, and joint funding of projects.

OPA 90 required the Committee to prepare an Oil Pollution Research and Technology Plan. The Interagency Committee prepared the original Oil Pollution Research and Development (R&D) Technology Plan to define the roles of each Federal agency involved in oil spill research and development. The plan was submitted to Congress in April 1992 and later reviewed by the National Research Council's Committee on Oil Spill Research and Development under the auspices of the Marine Board. Using input from the Marine Board, the Committee revised the plan in May 1993 to address spill prevention, human factors, and the field testing/demonstration of developed response technologies. The current version of the plan, still based on Marine Board recommendations, is dated April 1997. The Interagency Committee is coordinating an update of the Technology Plan during the next two fiscal years.

**11. Oil and Gas and Sulphur Operations in the Outer Continental Shelf--Oil and Gas Production Requirements**Agency: **Minerals Management Service**Published: **April 19, 2010**Action Detail: **None.**Citation: **None.****Summary:**

The MMS is amending the regulations regarding oil and natural gas production requirements. This is a complete rewrite of these regulations, addressing issues such as production rates, burning oil, and venting and flaring natural gas, to ensure appropriate development of these natural resources. The final rule eliminates most restrictions on production rates and clarifies limits on the amount of natural gas that can be flared or vented. The final rule is written using plain language, so it is easier to read and understand.

In addition to the production rate changes and flaring and venting clarifications, there are also clarifications relating to certain information submittal processes, reporting and recordkeeping requirements, approvals and exceptions and the rescinding of several NTLs regarding sensitive reservoirs, commingling, and other topics.



## 12. Oil and Gas and Sulphur Operations in the Outer Continental Shelf--Oil and Gas Production Requirements

Agency: **Minerals Management Service**

Published: **April 19, 2010**

Action Detail: **None.**

Citation: **None.**

### Summary:

The MMS is amending the regulations regarding oil and natural gas production requirements. This is a complete rewrite of these regulations, addressing issues such as production rates, burning oil, and venting and flaring natural gas, to ensure appropriate development of these natural resources. The final rule eliminates most restrictions on production rates and clarifies limits on the amount of natural gas that can be flared or vented. The final rule is written using plain language, so it is easier to read and understand.

The MMS is revising subpart K to:

- (1) Update the structure and readability of the rule, bringing it into compliance with the DOI plain language guidance;
- (2) Eliminate unnecessary requirements;
- (3) Clarify limits on the amount of natural gas that may be flared or vented during certain situations;
- (4) Improve collection of data on flaring and venting; and
- (5) Incorporate several existing Notices to Lessees (NTLs).

Some requirements from the current subpart K regulations are eliminated by the final rule because they are unnecessary in today's petroleum industry. For example, MMS required operators to establish maximum production rates (MPRs) for producing well completions, and maximum efficient rates (MERs) for producing reservoirs, in OCS Order No. 11 in 1974, In 1988, MMS reduced the MER requirement. Currently, MERs are required only on sensitive reservoirs (primarily oil reservoirs with associated gas caps). Determining and maintaining production rates imposes a significant burden on operators. Based on the past 30 years of experience, MMS concluded that maximum rate requirements and production balancing requirements can be largely eliminated without detriment to efforts for conservation and maximization of ultimate recovery.

The final rule clarifies limits on the length of time of natural gas that may be flared or vented in certain situations and requires approval from the Regional Supervisor to flare or vent natural gas except in certain situations.

Regardless of the reason for flaring or venting natural gas, the lessee or operator must report the amounts to MMS. The final rule requires separate reporting of the amount of natural gas flared and the amount of natural gas vented. The final rule clarifies required information submittals to MMS, including documents submitted to MMS and the timing of those submissions. For example, there are additional requirements on notifying adjoining operators regarding production within 500 feet of a common lease or unit line. The final rule provides more detail as to when the notification must occur, what the notice must include, and how to verify the notification with MMS.

There are several Notices to Lessees (NTLs) that will be rescinded when the final rule becomes effective. However, if necessary, MMS will issue additional NTLs to provide guidance. We will rescind the following NTLs:

- NTL No. 97-16, *Production Within 500 Feet of a Unit or Lease Line*, effective August 1, 1997.
- NTL No. 98-23, *Interim Reporting Requirements for 30 CFR part 250, subpart K, Oil and Gas Production Rates*, effective October 15, 1998.
- NTL No. 99-G20, *Downhole Commingling Applications*, effective September 7, 1999.
- NTL No. 2006-N06, *Flaring and Venting Approvals*, effective December 19, 2006.

This NTL also provides contact information for each Region and provides sample field records. These two items are not addressed in the final rule. The MMS will issue a new NTL to include only this information, after the effective date of this final rule.



<b>13. Agency Information Collection Activities: Proposed Collection, Comment Request</b>	
Agency: <b>Minerals Management Service</b>	Published: <b>April 12, 2010</b>
Action Detail: <b>Notice of an extension of a currently approved information collection (OMB Control Number 1010-0136).</b>	Citation: <b>None.</b>
<p>Summary:                      The MMS are inviting comments on a collection of information that MMS will submit to the Office of Management and Budget (OMB) for review and approval. This information collection request (ICR) and ICR 1010-0090 have been consolidated to allow program-wide review of Federal oil and gas valuation. The new title of this ICR is "30 CFR parts 202, 204, 206, and 210, Federal Oil and Gas Valuation."</p> <p>MMS will use the information collected in this ICR to ensure that royalty is accurately valued and appropriately paid on oil and gas produced from Federal onshore and offshore leases. All data submitted is subject to subsequent audit and adjustment.</p>	

<b>14. MMS Information Collection Activity: 1010-0067, Oil and Gas Well Completion Operations, Extension of a Collection; Comment Request</b>	
Agency: <b>Minerals Management Service</b>	Published: <b>April 12, 2010</b>
Action Detail: <b>Notice of extension of an information collection (1010-0067).</b>	Citation: <b>None.</b>
<p>Summary:                      To comply with the Paperwork Reduction Act of 1995 (PRA), MMS is inviting comments on a collection of information that MMS will submit to the Office of Management and Budget (OMB) for review and approval. The information collection request (ICR) concerns the paperwork requirements in the regulations under 30 CFR 250, Subpart E, "Oil and Gas Well-Completion Operations".</p> <p>Regulations at 30 CFR part 250 implement statutory requirements to ensure the safety of offshore exploration and production operations and the protection of the environment. The MMS District Managers analyze and evaluate the information and data collected under Subpart E to ensure that planned well-completion operations will protect personnel safety and natural resources. They use the analysis and evaluation results in the decision to approve, disapprove, or require modification to the proposed wellcompletion operations. Specifically, MMS uses the information to ensure: (a) Compliance with personnel safety training requirements; (b) crown block safety device is operating and can be expected to function to avoid accidents; (c) proposed operation of the annular preventer is technically correct and provides adequate protection for personnel, property, and natural resources; (d) well-completion operations are conducted on well casings that are structurally competent; and (e) sustained casing pressures are within acceptable limits.</p>	

<b>15. Proposed Rule Amendment; Mandatory Reporting of Greenhouse Gases</b>	
Agency: <b>Environmental Protection Agency</b>	Published: <b>April 12, 2010</b>
Action Detail: <b>None.</b>	Citation: <b>None.</b>
<p>Summary:                      EPA is proposing to amend the Mandatory Greenhouse Gas (GHG) Reporting Rule, to require reporters subject to the rule to provide: The name, address, and ownership status of their U.S. parent company; their primary and all other applicable North American Industry Classification System (NAICS) code(s); and an indication of whether or not any of their reported emissions are from a cogeneration unit. The Mandatory GHG Reporting Rule requires greenhouse gas emitting facilities and suppliers of</p>	



fuels and industrial gases from all sectors of the economy to report their greenhouse gas emissions and to provide certain additional supporting data in annual reports submitted to EPA.

This proposed amendment would affect facilities that are direct emitters of GHGs, and suppliers of fuels and industrial gases, that are already subject to the rule.

The current version of the rule does not require reporters to provide information on their U.S. parent company, on their primary and other applicable NAICS code(s), or on whether any of their reported emissions are from a cogeneration unit. The reasoning for the additional information is that corporate parent and NAICS code data could assist EPA in developing and improving air pollution emission inventories. A more detailed understanding of the sources and operational categories of GHG emissions could lead to improvements in air pollution emissions information that is relied upon to develop effective control methods. The additional information may also inform regulatory strategies being evaluated by EPA.

Several EPA programs under the CAA, including the Mandatory GHG Reporting Rule, require reporters to identify the “owner or operator” of each affected facility. In these programs, “owner” refers to the person or legal entity that owns the facility and its productive infrastructure. “Operator” refers to the legal entity that controls day-to-day operations. Although in some cases, the owner or operator is also the highest-level U.S. parent company, the information collected under the majority of CAA programs is not designed to identify the highest-level U.S. parent company or to provide insight into the corporate ownership structure.

This proposed rule amendment would also require facilities and suppliers reporting subject to the rule to report their primary and other applicable NAICS codes. This information is useful for benchmarking the environmental performance of companies and facilities relative to others in their sector.

The requirements to report the parent company and NAICS information would give the EPA a better understanding of the aggregate GHG emissions of corporations and specific industry sectors.

There are currently no EPA programs that require facilities or suppliers to report the use of cogeneration units. EPA has a voluntary program that requires that Partners complete a Letter of Intent stating that they agree to provide data on existing combined heat and power (cogeneration) projects and on new project development to help EPA determine climate benefits. However, this does not provide coverage of all units. Cogeneration units generate both electricity and thermal energy from a single fuel source. Because less fuel is burned to produce each unit of energy output, cogeneration is more efficient, thereby reducing air pollution and GHG emissions. While more fuel is being burned on site, it is displacing purchased central electric generation off-site, as well as the stand-alone generation of on site thermal energy, and the associated GHG emissions. Even in these cases, cogeneration units can result in net reductions of GHG emissions compared to separate power and heat generation.

### 16. Mandatory Reporting of Greenhouse Gases: Injection and Geologic Sequestration of Carbon Dioxide

Agency: **Environmental Protection Agency**

Published: **April 12, 2010**

Action Detail: **None.**

Citation: **None.**

Date Description: There will be one public hearing on April 19, 2010 from 9 a.m. to 1 p.m. at One Potomac Yard, 2777 S. Crystal Drive, Arlington, VA 22202.

**Summary:**

EPA is proposing a rule to require reporting on carbon dioxide (CO<sub>2</sub>) injection and geologic sequestration (GS). The proposed rule does not require control of greenhouse gases (GHGs), only monitoring and reporting. EPA first proposed that suppliers of CO<sub>2</sub> be subject to GHG reporting requirements in April 2009 and finalized the rule for suppliers of CO<sub>2</sub> on October 30, 2009.

This is a proposed regulation. If finalized, these regulations would affect owners or operators of CO<sub>2</sub> injection wells. Regulated



categories and entities include CO2 Enhanced Oil and Gas Recovery (ER) Projects and GS Sites.

EPA is proposing a tiered approach for reporting with the first tier establishing a set of requirements to cover all facilities that inject CO2 underground. These facilities would be required to report CO2 transferred onsite from offsite sources, the source of the CO2 (if known), and CO2 injected underground.

The second tier would apply to GS facilities, which would be required to calculate CO2 sequestered by subtracting total CO2 emissions from the CO2 injected in the reporting year. The emitted quantity would include the injected CO2 that leaked from the subsurface to the surface (if any), CO2 produced with oil or natural gas where ER operations are conducted at the GS facility, fugitive or vented CO2 emissions from surface equipment, and emissions from combustion sources located within the facility boundary, such as compressors.

Data on CO2 injection and GS will inform Clean Air Act (CAA) GHG policies by providing information and transparency on the amount of CO2 injected and geologically sequestered. This helps EPA track the flow of CO2 across a Carbon Capture and Storage (CCS) system and enables the agency to monitor the growth and efficacy of GS and CCS as GHG mitigation technologies. For example, EPA would be able to track whether ER sites are reporting GS and whether incentives or regulations are needed to encourage faster or further GS project development. EPA would also be able to evaluate ER as a potentially non-emissive end use and allow reconciliation of this data with CO2 supplied to better understand the quantity of CO2 supplied to emissive and nonemissive end uses.

The CAA provides EPA with broad authority to require the comprehensive and accurate information mandated in this rule because such data will inform, and are relevant to, EPA’s analyses of various CAA provisions. EPA may gather information for a variety of purposes, including for the purpose of assisting in the development of implementation plans or of emissions standards under CAA section 111, determining compliance with implementation plans or such standards, or more broadly for “carrying out any provision” of the CAA.

In addition, CAA section 103 authorizes EPA to establish a national research and development program, including nonregulatory approaches and technologies for the prevention and control of air pollution as it relates to GHGs and climate change. The information from CO2 injection and GS facilities will allow EPA to make well-informed decisions about whether and how to use the CAA to regulate these facilities and encourage voluntary reductions.

**17. Mandatory Reporting of Greenhouse Gases: Petroleum and Natural Gas Systems**

Agency: **Environmental Protection Agency**

Published: **April 12, 2010**

Action Detail: **None.**

Citation: **None.**

Date Description: There will be one public hearing on April 19, 2010 in Arlington, VA.

**Summary:**

EPA is proposing a supplemental rule to require reporting of greenhouse gas (GHG) emissions from petroleum and natural gas systems. The proposed supplemental rulemaking would require emissions reporting from the following industry segments: Onshore petroleum and natural gas production, offshore petroleum and natural gas production, natural gas processing, natural gas transmission compressor stations, underground natural gas storage, liquefied natural gas (LNG) storage, LNG import and export terminals, and distribution.

The proposal does not require control of GHGs, but that sources above certain threshold levels monitor and report emissions. Facilities not already reporting, but required to report under the new proposed rule would begin data collection in 2011.

In this rule EPA has revised their statement of authority for requiring and collecting emissions data citing the Clean Air Act (CAA), which allows the agency to “require emissions sources, persons subject to the CAA, manufacturers of control equipment, or persons whom the (EPA) Administrator believes may have necessary information to monitor and report emissions and provide such other information the Administrator requests for the purpose of carrying out any provision of the



CAA.” This broad authority allows the EPA to require monitoring and reporting of emissions information even if a person is not subject to the CAA.

New emissions monitoring and measurement methods have been proposed along with new and revised EPA definitions for the OCS and the United States, which clarifies that the Mandatory GHG Reporting Rule applies to facilities on land, in the territorial seas, or on or under the OCS of the United States. The proposal incorporates all segments of the oil industry and clarifies the role of existing emissions reporting requirements (by states and other federal agencies) for collecting emissions data.

The EPA first proposed Mandatory GHG Reporting requirements for petroleum and natural gas systems in April 2009. The agency received a substantial number of comments on this initial proposal and decided not to finalize the rule for petroleum and natural gas systems, and instead to propose a supplemental rule.

Although this new proposal does contain differences from the original proposed rule, comments on the previous rule do not apply to this current proposal. Any comments on this supplemental rule must be submitted before the deadline of June 11, 2010.

There are several major changes from requirements proposed previously. These are summarized below.

1. All segments of the petroleum and gas industry including the addition of onshore production and distribution.
2. Alternative methodologies for quantification of emissions are presented:
  - Limited use of fugitive leak detection
  - Leaker factors to quantify detected fugitive emissions
  - Population factors and component count for fugitive emissions that are widely scattered or inaccessible to plain view
  - Use of existing MMS GOADS methods an calculated emissions fo offshore production facilities
  - Modeling software to quantify glycol dehydrator and tank emissions
  - Engineering estimation of well venting from liquids unloading
  - Engineering estimation for well venting from completions and workpvers
  - Engineering estimation for well testing and flaring
  - Engineering estimation for flaring emissions
  - Limited sampling to determine gas compositions
3. Use of the term “fugitives” has been modified to incorporate of separate category for vented emissions, where previously fugitive and vented emissions were combined. (*Flared emissions are still included as a separate category.*)

**18. Gulf of Mexico, Outer Continental Shelf, Western Planning Area, Oil and Gas Lease Sale 215 (2010) Environmental Assessment**

Agency: <b>Minerals Management Service</b>	Published: <b>April 5, 2010</b>
Action Detail: <b>Notice of availability of an environmental assessment.</b>	Citation: <b>None.</b>

Summary:

The MMS has prepared an environmental assessment (EA) for proposed Gulf of Mexico Outer Continental Shelf (OCS) oil and gas Lease Sale 215 in the Western Planning Area (WPA) (Lease Sale 215) scheduled for August 2010. This is an important step in the decision process for Lease Sale 215. The proposal for the sale was published in the Federal Register on September 9, 2009, and was analyzed in several previous lease and planning sales.

This EA examines the potential environmental effects of the proposed sale and its alternatives (excluding unleased whole and partial blocks that are part of Flower Garden Banks National Marine Sanctuary and those within the 1.4-nautical-mile buffer zone north of the OCS boundary between the U.S. and Mexico) based on changes and any new relevant information and circumstances regarding potential environmental impacts and issues that were not available at the time the Supplemental EIS was prepared. No new significant impacts were identified for proposed Lease Sale 215 that were not already assessed in the



Multisale EIS or Supplemental EIS. As a result, MMS determined that an additional supplemental EIS is not required and prepared a Finding of No New Significant Impact (FONNSI).

The Gulf of Mexico Energy Security Act of 2006 repealed the Congressional moratorium on approximately 5.8 million acres located in the southeastern part of the Central Planning Area (CPA). Therefore, it was necessary to prepare additional NEPA documentation to address the MMS proposal to expand the CPA by the 5.8-million-acre area. Federal regulations allow for several related or similar proposals to be analyzed in one EIS. Since each proposed lease sale and its projected activities are very similar each year for each planning area, a single Supplemental EIS was prepared for the remaining seven WPA and CPA lease sales scheduled in the OCS Oil and Gas Leasing Program: 2007–2012 (5-Year Program). In September 2008, MMS published a Supplemental EIS (OCS EIS/EA MMS 2008–041) that addressed seven proposed Federal actions that would offer for lease areas on the Gulf of Mexico OCS that may contain economically recoverable oil and gas resources.

Additional NEPA reviews will also be conducted prior to decisions on each of the three subsequent proposed lease sales. For each proposed lease sale, MMS prepares a Consistency Determination (CD) to determine whether the lease sale is consistent with each affected State’s federally approved, coastal zone management program. Finally, MMS solicits comments via the Proposed Notice of Sale (NOS) from the governors of the affected States on the size, timing, and location of the lease sale. The tentative schedule for the prelease decision process for Lease Sale 215 is as follows: CD’s sent to the affected States, March 2010; Proposed NOS sent to the governors of the affected States, March 2010; Final NOS, if applicable, published in the Federal Register, July 2010; and Lease Sale 215, August 2010.

**19. Preparation of an Environmental Assessment (EA) for Proposed Outer Continental Shelf (OCS) Oil and Gas Lease Sale 216 in the Central Gulf of Mexico Planning Area (2011)**

Agency: <b>Minerals Management Service</b>	Published: <b>April 5, 2010</b>
Action Detail: <b>Notice of Preparation (NOP) of an Environmental Assessment (EA).</b>	Citation: <b>None.</b>

**Summary:**

The purpose of the NOP is to gather new information on environmental impacts of oil and gas leasing, exploration, and development that might result from an Outer Continental Shelf (OCS) oil and gas lease sale tentatively scheduled for March 2011. Comments must be received no later than May 5, 2010.

MMS is announcing its intent to prepare an EA on an oil and gas lease sale tentatively scheduled for early 2011 in the Central Planning Area (CPA) offshore of the States of Louisiana, Mississippi, Alabama, and Florida. The MMS is issuing this notice to facilitate public involvement. The preparation of this EA is an important step in the decision process for Lease Sale 216. The proposal for Lease Sale 216 was analyzed in the Gulf of Mexico OCS Oil and Gas Lease Sales: 2009–2012: Central Planning Area Sales 208, 213, 216, and 222; Western Planning Area Sales 210, 215, and 218—Final Supplemental Environmental Impact Statement (Supplemental EIS, OCS EIS/EA MMS 2008–041). This EA for proposed Lease Sale 216 will reexamine the potential environmental effects of the proposed lease sale and its alternatives (i.e., excluding the unleased blocks near biologically sensitive topographic features; excluding the unleased blocks within 15 miles of the Baldwin County, Alabama, coast; and no action) based on changes in the proposed action and any new relevant information and circumstances regarding potential environmental impacts and issues that were not available at the time the Supplemental EIS was prepared, to determine if preparation of a new supplemental EIS is warranted.

Final delineation of this area for possible leasing will be made at a later date and in compliance with applicable laws, including all requirements of NEPA, the Coastal Zone Management Act, Outer Continental Shelf Lands Act, and other applicable statutes.

Federal regulations allow for several related or similar proposals to be analyzed in one EIS (40 CFR 1502.4). Each proposed lease sale and its projected activities are very similar each year for each planning area. The Multisale EIS (OCS EIS/EA MMS 2007–018) addressed Western Planning Area (WPA) Lease Sale 204 in 2007, Sale 207 in 2008, Sale 210 in 2009, Sale 215 in



2010, and Sale 218 in 2011; and CPA Lease Sale 205 in 2007, Sale 206 in 2008, Sale 208 in 2009, Sale 213 in 2010, Sale 216 in 2011, and Sale 222 in 2012. However, the Gulf of Mexico Energy Security Act of 2006 repealed the congressional moratorium on approximately 5.8 million acres located in the southeastern part of the CPA.

Therefore, it was necessary to prepare additional NEPA documentation to address the MMS proposal to expand the CPA by the 5.8 million-acre area. A single Supplemental EIS was prepared for the remaining seven WPA and CPA lease sales scheduled in the OCS Oil and Gas Leasing Program: 2007–2012 (5-Year Program). In September 2008, MMS published a Supplemental EIS (OCS EIS/EA MMS 2008–041) that addressed seven proposed Federal actions that would offer for lease areas on the GOM OCS that may contain economically recoverable oil and gas resources.

After completion of this EA, the MMS will determine whether to prepare a Finding of No New Significant Impact (FONNSI) or a Supplemental EIS for Lease Sale 216 and the subsequent sales.

The MMS prepares a Consistency Determination (CD) to determine whether the lease sale is consistent with each affected state’s federally approved Coastal Zone Management program.

Finally, the MMS will solicit comments via the Proposed Notice of Sale (NOS) from the Governors of the affected states on the size, timing, and location of the lease sale. The tentative schedule for the prelease decision process for Lease Sale 216 is as follows: EA/FONSI or Supplemental EIS decision will be completed in September-October 2010; CDs will be sent to the affected states approximately 5 months before the lease sale; Proposed NOS sent to the Governors of the affected states approximately 5 months before the lease sale; Final NOS, if applicable, will be published in the Federal Register in February 2011.

**20. Notice of Availability of the Proposed Notice of Sale (NOS) for Outer Continental Shelf (OCS) Oil and Gas Lease Sale 215 in the Western Planning Area (WPA) in the Gulf of Mexico (GOM)**

Agency: **Minerals Management Service**

Published: **April 5, 2010**

Action Detail: **Notice of availability of the proposed NOS for proposed Sale 215.**

Citation: **None.**

Summary:

The MMS announces the availability of the proposed NOS for proposed Sale 215 in the WPA. This Notice is published pursuant to 30 CFR 256.29(c) as a matter of information to the public. With regard to oil and gas leasing on the OCS, the Secretary of the Interior, pursuant to section 19 of the OCS Lands Act, provides the affected states the opportunity to review the proposed Notice. The proposed Notice sets forth the proposed terms and conditions of the sale, including minimum bids, royalty rates, and rentals.

**21. Geological and Geophysical Exploration (G&G) on the Mid- and South Atlantic Outer Continental Shelf (OCS)**

Agency: **Minerals Management Service**

Published: **April 2, 2010**

Action Detail: **Reopening of Comment Period and Notice of Public Scoping Meetings for the Programmatic Environmental Impact Statement (PEIS) for Future Industry G&G Activity on the Mid- and South Atlantic OCS.**

Citation: **None.**

Date Description:

Comments should be submitted no later than May 17, 2010. The MMS estimates completion of the PEIS by mid-2012.



**Summary:**

MMS will reopen the comment period for a period of 45 days from the date of this Federal Register notice to allow public scoping meetings to be held to solicit information that will be used to prepare a PEIS to evaluate potential environmental effects of multiple G&G activities on the Atlantic OCS. These activities are associated with Atlantic OCS siting for renewable energy projects, oil and gas exploration, and marine minerals extraction; these activities could take place over a period of several years. The purpose of the scoping meetings will be to receive comments on the scope of the PEIS, identify significant resources and issues to be analyzed in the PEIS, and identify possible alternatives to the proposed action.

An initial comment period was commenced by the Notice of Intent (NOI) to prepare the PEIS, which was published in the Federal Register on January 21, 2009, (74 FR 3636). The comment period on the earlier NOI closed on March 23, 2009. MMS did not move forward on the PEIS at that time. Comments made during this 2009 scoping period will still be considered and need not be resubmitted.

The Atlantic OCS area that will be analyzed within the Mid- and South Atlantic G&G PEIS is illustrated in Figure 1 as the Mid-Atlantic Planning Area and the South Atlantic Planning Area.

**22. Notice of Intent To Prepare and Scope an Environmental Impact Statement (EIS) for the Outer Continental Shelf (OCS) Oil and Gas Leasing Program for 2012-2017**

Agency: **Minerals Management Service**

Published: **April 2, 2010**

Action Detail: **Notice of intent and request for comments.**

Citation: **None.**

**Date Description:**

Please submit comments and information to the MMS on scoping no later than June 30, 2010.

**Summary:**

The MMS is providing notice of its intent to prepare an EIS with respect to the OCS Oil and Gas Leasing Program for 2012-2017 and requests comments for the purposes of determining the scope of the EIS the MMS plans to prepare.

In January 2009, the previous Administration published a Draft Proposed Program (DPP) and a Notice of Intent to Prepare an EIS that set out a schedule for scoping meetings in the areas of the DPP. In February 2009, the Secretary of the Interior extended the comment period on the DPP and postponed the scoping meetings to allow time to consider further public comment before determining which areas in the DPP should be scoped for the EIS and thus be analyzed for consideration in the subsequent program proposals. The fact that an area is analyzed in a 5-year EIS does not mean that it will be included in a final leasing program. However, an area must be analyzed pursuant to NEPA to be included in a 5-year program.

**Areas To Be Scoped for the EIS**

The draft EIS for the OCS Oil and Gas Program for 2012–2017 will evaluate offering all or portions of eight OCS planning areas for oil and gas leasing:

Beaufort Sea, Chukchi Sea, and Cook Inlet, which are offshore Alaska; Western, Central, and Eastern Gulf of Mexico, the latter focusing on the southwestern third of the planning area rather than the entire area contemplated in the DPP; and South and Mid-Atlantic.

The comments that MMS has received in response to the January 21, 2009 Notice of Intent to prepare an EIS and the August 2008 Request for Comments on the preparation of a new 5-year program, and the comments received during scoping for the 2007–2012 Five Year EIS, have identified environmental issues and concerns that MMS will consider in the EIS. In summary, these include climate change as an impact factor in cumulative analyses, the effects of the OCS program on climate change, potential impacts from accidental oil spills, potential impacts to tourism and recreation activities, and ecological impacts from potential degradation of marine and coastal habitats.

Additionally, alternatives will be developed and analyzed during the EIS process based on scoping comments and governmental communications. Alternatives may include increasing or decreasing the number or frequency of sales, coastal buffers, limiting



areas available for leasing, and excluding parts of or entire planning areas.

**23. Preliminary Revised 5-Year Outer Continental Shelf (OCS) Oil and Gas Leasing Program for 2007-2012**

Agency: **Minerals Management Service**

Published: **April 2, 2010**

Action Detail: **Notice of availability and request for comments.**

Citation: **None.**

Date Description: Please submit comments and information to the MMS no later than May 3, 2010.

Summary:

The MMS requests comments on the Preliminary Revised 5-Year OCS Oil and Gas Leasing Program for 2007-2012.

On June 29, 2007, the previous Secretary approved the Proposed Final OCS Oil and Gas Leasing Program for 2007–2012 (PFP) that became effective on July 1, 2007. On July 2, 2007, the Center for Biological Diversity filed suit against the Department of the Interior (DOI) alleging agency failures under various laws in relation to the OCS 2007–2012 leasing program. On August 28, 2007, the Native Village of Point Hope, Alaska Wilderness League, and Pacific Environment filed a similar suit. The cases were consolidated.

On April 17, 2009, the U.S. Court of Appeals for the District of Columbia Circuit vacated and remanded DOI’s OCS 2007–2012 leasing program, finding that DOI’s determination of when and where to offer areas for leasing of oil and gas resources was based on a flawed analysis that failed to assess fully the relative environmental sensitivity and marine productivity of the OCS because it looked only at the effects of spills on the shoreline. The Court specified that the Secretary must first conduct a more complete comparative analysis of the environmental sensitivity of different areas of the OCS, and must at least attempt to identify those areas most and least sensitive to OCS activity. The Court directed the Secretary to rebalance the program once this new analysis is complete.

Pursuant to the Government’s petition for amendment and/or clarification of the Court’s order, on July 28, 2009, the Court issued an order staying its mandate until DOI completed its analysis and rebalancing. The Court also clarified that the relief granted in its April 17th decision applied only to the Beaufort, Chukchi, and Bering Seas off Alaska. The Bering Sea includes the North Aleutian Basin OCS Planning Area, the only planning area in the Bering Sea with lease sales scheduled in the 2007–2012 PFP.

At the direction of the Secretary, MMS re-analyzed all 26 OCS planning areas to better determine the relative environmental sensitivity of several ecological components to multiple impacts of offshore oil and gas development (such as sound, physical disturbance, climate change, and ocean acidification). The original environmental sensitivity analysis relied on only two studies conducted by Continental Shelf Associates in 1990 and 1991, and one dataset, the National Oceanic and Atmospheric Administration’s Environmental Sensitivity Index (ESI). The expanded analysis relies on those sources as well as approximately 50 reports and studies that were not considered in the original analysis to examine the sensitivity of shoreline/coastal habitats, but also analyzes the sensitivity of offshore/marine resources to oil and gas activities.

The expanded environmental sensitivity analysis is divided into the three components of the marine environment that may be affected by oil and gas activities: marine habitats, marine productivity, and marine fauna (i.e., birds, fish, marine, and sea turtles).

The revised analysis presents the OCS planning areas grouped into four categories of relative sensitivity ranging from “most” to “least” sensitive to OCS oil and gas activities.

Categorization of an OCS planning area as “less” or “least” sensitive does not mean that environmental resources of that OCS planning area are not sensitive, but that they are found to be relatively less sensitive than other OCS planning areas to the types of impacts anticipated from OCS oil and gas activities. The revised analysis identified the OCS planning areas “most” sensitive to OCS oil and gas activities as the South Atlantic, Eastern Gulf of Mexico, Mid-Atlantic, and Central Gulf of Mexico, and the “least” sensitive as the Aleutian Arc, Navarin Basin, Bowers Basin, and Aleutian Basin, all in the OCS



southwest of Alaska.

In support of his PRP decisions, the Secretary relied on the expanded environmental sensitivity analysis; the PFP for 2007–2012 and the supporting administrative record, including the April 2007 analysis of the other OCSLA section 18 factors; and the 2007 Final Environmental Impact Statement (EIS) and all comments, reports, and studies incorporated therein. The decision is based on the Secretary’s independent review of the record and obtains a proper balance between the potential for environmental damage, the potential for the discovery of oil and gas, and the potential for adverse impact on the coastal zone, in accordance with the Court’s remand order. Thus, while the environmental sensitivity analysis is expanded, it is important to remember that the Secretary’s decisions are not based on just one factor, but require consideration of all section 18 factors and the other supporting information and subsequent balancing as described below. For example, the Secretary’s decision to remove the Beaufort and Chukchi Seas sales, other than Chukchi Sea Sale 193, recognizes the importance of gathering additional information from activities on existing leases and ongoing research into oil-spill cleanup in icy waters to help MMS and industry plan for future leasing.

The PRP includes 16 sales in 6 areas (2 areas off Alaska, 1 area off the Atlantic coast, and 3 areas in the Gulf of Mexico).

**24. Standards for Business Practices for Interstate Natural Gas Pipelines**

Agency: **Federal Energy Regulatory Commission**

Published: **April 1, 2010**

Action Detail: **Final Rule.**

Citation: **None.**

Date Description:

This rule will become effective May 3, 2010.

Natural gas pipelines are required to file tariff sheets to reflect the changed standards on September 1, 2010, to take effect on November 1, 2010. Implementation of these standards is required on and after November 1, 2010. The incorporation by reference of certain publications in this rule is approved by the Director of the Federal Register as of May 3, 2010.

Summary:

The Federal Energy Regulatory Commission (Commission) is amending its regulations that establish standards for interstate natural gas pipeline business practices and electronic communications to incorporate by reference into its regulations the most recent version of the standards, Version 1.9, adopted by the Wholesale Gas Quadrant (WGQ) of the North American Energy Standards Board (NAESB) applicable to natural gas pipelines, with certain enumerated exceptions. This rule upgrades the Commission's current business practice and communication standards to include standards governing Index-Based Capacity Release and Flexible Delivery and Receipt Points and to reflect the Commission's findings in Order Nos. 698, 712, 717, and 682. This rule will increase the efficiency of the pipeline grid and make pipelines' electronic communications more secure.

Since 1996, in the Order No. 587 series,<sup>3</sup> the Commission has adopted regulations to standardize the business practices and communication methodologies of interstate pipelines in order to create a more integrated and efficient pipeline grid. In this series of orders, the Commission incorporated by reference consensus standards developed by NAESB (formerly the Gas Industry Standards Board or GISB), a private consensus standards developer composed of members from all segments of the natural gas industry. NAESB is an accredited standards organization under the auspices of the American National Standards Institute (ANSI).



<b>25. Termination of Royalty-in-Kind (RIK) Eligible Refiner Program</b>	
Agency: <b>Minerals Management Service</b>	Published: <b>March 30, 2010</b>
Action Detail: <b>Advance notice for the termination of the RIK Eligible Refiner Program.</b>	Citation: <b>None.</b>
<p>Date Description: MMS will discontinue the sales of Federal royalty production to eligible refiners under the Eligible Refiner Program until further notice.</p>	
<p>Summary: On behalf of the Secretary of the Interior, the MMS has conducted a determination of need for the RIK Eligible Refiner Program under 30 CFR 208.4 and has concluded that a need for the program no longer exists.</p> <p>The Secretary is allowed by law to evaluate crude oil market conditions to determine the availability of crude oil and the crude oil requirements of the Federal Government (primarily for national interest and defense purposes). Upon a determination that defined eligible refiners do not have access to adequate supplies of crude oil at equitable prices, the Secretary may elect to take in kind some or all of the royalty oil accruing to the United States from oil and gas leases on Federal lands onshore and the OCS for sale to eligible refiners.</p> <p>On September 16, 2009, the Secretary announced a phased-in termination of the RIK Program. The termination of the RIK Program precludes future sales of Federal royalty oil to eligible refiners as part of the Eligible Refiner Program. The MMS will honor all existing RIK sales contracts as defined in the contract terms.</p> <p>The MMS's determination is supported by decreased participation in the RIK Eligible Refiner Program as well as eligible refiners demonstrating a successful ability to compete in the open market. In 1999, six eligible refiners participated in the program, compared to only two in 2009. Over the past few years, eligible refiners have been successfully competing in the RIK Unrestricted Oil Sales Program as well as in the open market. The RIK unrestricted oil sales were open to any bidder who met prequalification requirements, and bidders included many of the major oil companies operating in the United States. On average, 50 percent of the volumes that MMS offered in the RIK Unrestricted Oil Sales Program during the past year have been awarded to eligible refiners. In the most recent unrestricted oil sale, one eligible refiner bid successfully on 80 percent of the volumes that MMS offered for sale. The decreased participation in the Eligible Refiner Program, in conjunction with the increased success of eligible refiners in the RIK Unrestricted Oil Sales Program, clearly demonstrates that an RIK Eligible Refiner Program is not needed at this time.</p>	

<b>26. Pipeline Safety: Girth Weld Quality Issues Due to Improper Transitioning, Misalignment, and Welding Practices of Large Diameter Line Pipe</b>	
Agency: <b>Pipeline and Hazardous Materials Safety Administration</b>	Published: <b>March 24, 2010</b>
Action Detail: <b>Notice; issuance of advisory bulletin.</b>	Citation: <b>None.</b>
<p>Summary: PHMSA is issuing an advisory bulletin to notify owners and operators of recently constructed large diameter natural gas pipeline and hazardous liquid pipeline systems of the potential for girth weld failures due to welding quality issues. Misalignment during welding of large diameter line pipe may cause in-service leaks and ruptures at pressures well below 72 percent specified minimum yield strength (SMYS). PHMSA has reviewed several recent projects constructed in 2008 and 2009 with 20-inch or greater diameter, grade X70 and higher line pipe. Metallurgical testing results of failed girth welds in pipe wall thickness transitions have found pipe segments with line pipe weld misalignment, improper bevel and wall thickness transitions, and other improper welding practices that occurred during construction. A number of the failures were located in pipeline segments with concentrated external loading due to support and backfill issues. Owners and operators of recently</p>	



constructed large diameter pipelines should evaluate these lines for potential girth weld failures due to misalignment and other issues by reviewing construction and operating records and conducting engineering reviews as necessary.

### 27. Mandatory Reporting of Greenhouse Gases: Minor Harmonizing Changes to the General Provisions

Agency: **Environmental Protection Agency**

Published: **March 24, 2010**

Action Detail: **Correction**

Citation: **None.**

**Summary:**

The EPA has issued changes to the rule document 2010-5695 published in the in the March 16, 2010 issue of the Federal Register, on pages 12457 and 12458, in Subpart A.

The revisions include removing references to additional source categories for the year 2010, since the time has passed.

### 28. Implementation of the 1995 Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978

Agency: **United States Coast Guard**

Published: **March 23, 2010**

Action Detail: **Supplemental Notice of Proposed Rulemaking; next stage.**

Citation: **None.**

**Date Description:**

The NPRM was published in the Federal Register on November 17, 2009 (74 FR 59354). Comments were due by February 16, 2010.

**Summary:**

The Coast Guard announces that it is revisiting the approach proposed in the Notice of Proposed Rulemaking (NPRM) on the Implementation of the 1995 Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as published in the Federal Register on November 17, 2009.

The United States ratified the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW Convention), on June 10, 1991. On November 17, 2009, the Coast Guard published a NPRM on the Implementation of the 1995 Amendments to the STCW Convention.

The International Maritime Organization (IMO) is currently developing amendments to the STCW Convention that are expected to be adopted at a diplomatic conference in June 2010. If adopted, these amendments will change the minimum training requirements for seafarers. They are expected to enter into force in accordance with Article XII of the Convention on January 1, 2012 for all countries that are party to the STCW Convention.

In response to feedback received the Coast Guard is reviewing the approach outlined in the NPRM and considering publishing a Supplemental NPRM (SNPRM) as a next step. The SNPRM would describe any proposed changes from the NPRM, and seek comments from the public on those proposed changes.



**29. Inventory of U.S.-Flag Launch Barges**Agency: **Maritime Administration**Published: **March 22, 2010**Action Detail: **Inventory of U.S.-Flag Launch Barges**Citation: **None.**

## Summary:

The Maritime Administration (MARAD) is updating its inventory of U.S.-flag launch barges. Additions, changes and comments to the list are requested. Launch barge information may be found at [http://www.marad.dot.gov/ships\\_shipping\\_landing\\_page/domestic\\_shipping/launch\\_barge\\_program/Launch\\_Barge\\_Program.htm](http://www.marad.dot.gov/ships_shipping_landing_page/domestic_shipping/launch_barge_program/Launch_Barge_Program.htm). The comment period has ended for this latest inventory..

Owners or operators (or potential owners or operators) of coastwise qualified launch barges are requested to notify MARAD of: (1) Their interest in participating in the transportation and, if needed, the launching or installation of offshore platform jackets; (2) the contact information for their company; and, (3) the specifications of any currently owned or operated coastwise qualified launch barges or plans to construct same. In addition, MARAD is also seeking information on non-coastwise qualified (U.S.-flag) launch barges.

**30. Correction: Procedures for Transportation Workplace Drug and Alcohol Testing Programs**Agency: **Department of Transportation**Published: **March 18, 2010**Action Detail: **None.**Citation: **None.**

## Summary:

The Department of Transportation (DOT) has issued minor corrections to the rule document 2010-3731 issued February 25, 2010 regarding Workplace Drug and Alcohol Testing.

The correction removed the outdated reference to the original start date for requiring usage of the new form and includes the latest version of the form in Appendix G.

**31. Mandatory Reporting of Greenhouse Gases: Minor Harmonizing Changes to the General Provisions**Agency: **Environmental Protection Agency**Published: **March 16, 2010**Action Detail: **Direct final rule.**Citation: **None.**

## Date Description:

This direct final rule is effective May 17, 2010 without further notice, unless EPA receives adverse comments by April 15, 2010, or by April 30, 2010 if a public hearing is held. If adverse comments are received, EPA will publish a timely withdrawal in the Federal Register informing the public that this rule, or the relevant section of this rule, will not take effect.

## Summary:

EPA is taking direct final action to amend the general provisions for the Mandatory Greenhouse Gas (GHG) Reporting Rule. The amendments do not change the requirements of the regulation for facilities and suppliers covered by the 2009 final rule. They are minor changes to the format of several sections of the general provisions to accommodate the addition of new subparts in the future. These changes include updating the language for the schedule for submitting reports and calibrating equipment to recognize that subparts that may be added in the future would have later deadlines. These revisions do not change the requirements for subparts included in the 2009 final rule.



<b>32. Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2008</b>	
Agency: <b>Environmental Protection Agency</b>	Published: <b>March 15, 2010</b>
Action Detail: <b>Notice of document availability and request for comments.</b>	Citation: <b>None.</b>
<p>Date Description:                  To ensure your comments are considered for the final version of the document, please submit your comments within 30 days of the appearance of this notice. However, comments received after that date will still be welcomed and be considered for the next edition of this report.</p>	
<p>Summary:                  The Draft Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2008 is available for public review. Annual U.S. emissions for the period of time from 1990 through 2008 are summarized and presented by source category and sector. The inventory contains estimates of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), and sulfur hexafluoride (SF<sub>6</sub>) emissions. This is the latest in a series of annual U.S. submissions to the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC).</p> <p>Each year, emission and sink estimates are recalculated and revised for all years in the Inventory of U.S. Greenhouse Gas Emissions and Sinks, as attempts are made to improve both the analyses themselves, through the use of better methods or data, and the overall usefulness of the report. In this effort, the United States follows the IPCC Good Practice Guidance (IPCC 2000), which states, regarding recalculations of the time series, "It is good practice to recalculate historic emissions when methods are changed or refined, when new source categories are included in the national inventory, or when errors in the estimates are identified and corrected." In general, recalculations are made to the U.S. greenhouse gas emission estimates either to incorporate new methodologies or, most commonly, to update recent historical data.</p>	

<b>33. Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources Research and Development Program 2010 Annual Plan</b>	
Agency: <b>Department of Energy</b>	Published: <b>March 10, 2010</b>
Action Detail: <b>Notice of report availability.</b>	Citation: <b>None.</b>
<p>Summary:                  The Office of Fossil Energy announces the availability of the 2010 Annual Plan for the Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources Research and Development Program on the DOE Web site at <a href="http://management.energy.gov/FOIA/1480.htm">http://management.energy.gov/FOIA/1480.htm</a> or in print form.</p> <p>The 2010 Annual Plan is in compliance with the Energy Policy Act of 2005, Subtitle J, Section 999B(e)(3) which requires the publication of this plan and all written comments in the Federal Register.</p>	



<b>34. Hazardous Materials: Risk-Based Adjustment of Transportation Security Plan Requirements</b>	
Agency: <b>Pipeline and Hazardous Materials Safety Administration</b>	Published: <b>March 9, 2010</b>
Action Detail: <b>Final rule.</b>	Citation: <b>None.</b>
<p>Date Description:                      Effective date: This final rule is effective October 1, 2010.                      Voluntary compliance with the amendments in this final rule is authorized as of April 8, 2010.</p>	
<p>Summary:                      PHMSA, in consultation with the Transportation Security Administration (TSA) of the Department of Homeland Security (DHS), is modifying current security plan requirements applicable to the commercial transportation of hazardous materials by air, rail, vessel, and highway. Based on an evaluation of the security threats associated with specific types and quantities of hazardous materials, the final rule narrows the list of materials subject to security plan requirements and reduces associated regulatory costs and paperwork burden. The final rule also clarifies certain requirements related to security planning, training, and documentation.</p> <p>This rule modifies the triggers requiring a security plan for flammable gases and spontaneously combustible materials and limits the applicability of plans for flammable solids. It also includes amendments to clarify and enhance current security plan and training requirements such as requiring risk assessments, site-specific security plans, annual reviews of security plans and development of training plans for HAZMAT employees.</p>	

<b>35. South Texas Area Maritime Security (STAMS) Committee; Vacancies</b>	
Agency: <b>United States Coast Guard</b>	Published: <b>March 5, 2010</b>
Action Detail: <b>Solicitation for membership</b>	Citation: <b>None.</b>
<p>Date Description:                      Requests for membership should reach the Corpus Christi Captain of the Port on or before April 15, 2010.</p>	
<p>Summary:                      This notice requests individuals interested in serving on the South Texas Area Maritime Security (STAMS) Committee to submit their application for membership to the Captain of the Port, Corpus Christi, Texas.</p> <p>The Area Maritime Security Committees (AMSCs) shall assist the Captain of the Port in the review, update, and exercising of the Area Maritime Security (AMS) Plan for their area of responsibility. Such matters may include, but are not limited to: Identifying critical port infrastructure and operations; Identifying risks (threats, vulnerabilities, and consequences); Determining mitigation strategies and implementation methods; Developing strategies to facilitate the recovery of the MTS after a Transportation Security Incident; Developing and describing the process to continually evaluate overall port security by considering consequences and vulnerabilities, how they may change over time, and what additional mitigation strategies can be applied; and Providing advice to, and assisting the Captain of the Port in developing and maintaining the Area maritime Security Plan.</p> <p>Members of the AMSC should have at least 5 years of experience related to maritime or port security operations.</p>	



### 36. Revision to Navigation and Inspection Circular 11-93, Change 3 (NVIC 11-93 CH-3), Applicability of Tonnage Measurement Systems to U.S. Flag Vessels

Agency: **United States Coast Guard**

Published: **March 5, 2010**

Action Detail: **Notice of policy revision and request for comments**

Citation: **None.**

**Date Description:**

Comments and related material must either be submitted to our online docket via <http://www.regulations.gov> on or before April 5, 2010 or reach the Docket Management Facility by that date.

**Summary:**

The Coast Guard is developing a revision to NVIC 11-93 CH-3 Applicability of Tonnage Measurement Systems to U.S. Flag Vessels to update the document and improve its usefulness. We are seeking public suggestions for changes to the current revision to NVIC 11-93 CH-3 and comments on the proposed revisions listed in the purpose section of this notice. The public is encouraged to suggest discussion of any international conventions, Federal regulations, or definitions that are not currently addressed. Moreover, the Coast Guard requests that the public provide suggestions on definitions or tables included in the NVIC 11-93 CH-3 to make them clearer or address additional tonnage applicability issues not currently covered by the NVIC 11-93 CH-3.

NVIC 11-93, which was last revised in November 2003, provides guidance on tonnages used for documentation purposes and the applicability of a vessel's tonnage assignment under domestic regulatory and international tonnage measurement systems to both domestic regulations and international standards. It also clarifies the applicability of U.S. tonnage measurement systems to U.S. flag vessels based on vessel type, length, service, and vessel keel laid date or date of last substantial alteration. Definitions of frequently used terms, including convention length and deck cargo are provided to ensure consistency for users of NVIC 11-93.

Since its latest revision, multiple regulations and standards with tonnage thresholds, such as Non-Tank Vessel Response Plans, Long Range Identification Tracking System, and the International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI, have come into force. The Coast Guard is considering the changes in this revised NVIC to reflect these developments and incorporate updates of an administrative nature.



## Notices to Lessees

### 1. NTL 2010-N02

Title: **The MMS 2010 National Safety Awards for Excellence (SAFE) at OTC**

Effective Date: **March 4, 2010**

Status: **Expired**

The MMS will present the National SAFE Awards at an OTC luncheon on May 6, 2010. These prestigious awards have been presented annually since 1983, making this the longest continuous Federal awards program of its kind. The SAFE Awards recognize outstanding safety and pollution prevention performance by the offshore industry in four categories:

- drilling contractor,
- production contractor,
- high activity operator, and
- moderate activity operator.

### 2. NTL 2010-N03

Title: **Guidelines for Royalty Relief Under 30 CFR Part 203**

Effective Date: **March 25, 2010**

Status: **Supersedes**

This NTL provides guidelines that apply to the revised regulations for pre-production or expansion project royalty relief which we published in the Federal Register on November 18, 2008 and supersedes NTL 2002-N02. Due to the new regulations, Appendix I which pertains to the existing royalty relief application and evaluation procedure used for certain deepwater leases in the Gulf of Mexico, now applies to leases offshore Alaska as well.

### 3. NTL 2010-

Title: **Information to Lessees (ITL): Notification of In-Situ Burning Activity for Deepwater Horizon Incident**

Effective Date: **April 28, 2010**

Status: **Effective**

As part of the response efforts to the Deepwater Horizon incident, the Federal On-Scene Coordinator has made the decision to potentially use in-situ burning as one of the methods to contain the spill located offshore Louisiana.

The possible area for the in-situ burning includes the following blocks in the Mississippi Canyon Block area: MC 166, MC 167, MC 168, MC 169, MC 170, MC 210, MC 211, MC 212, MC 213, MC 214, MC 254, MC 255, MC 256, MC 257, MC 258, MC 298, MC 299, MC 300, MC 301, MC 302, MC 342, MC 343, MC 344, MC 345, MC 346.

This notification is to make OCS operators aware of this activity. Please see the attached document for more details.

Operators should assess any potential effects to facilities in the affected area and report to [MMS.GOM.ICC@MMS.GOV](mailto:MMS.GOM.ICC@MMS.GOV).



<b>4. NTL 2010-</b>	
Title: <b>Information to Lessees (ITL): Reporting Requirements for Evacuations/Shut-Ins</b>	Effective Date: <b>April 30, 2010</b>
Status: <b>Effective</b>	
<p><b>***Please note that this is NOT a requirement to evacuate or shut-in; this ITL addresses reporting requirements in the event of evacuation and/or shut-in.</b></p> <p>As part of the response efforts to the Deepwater Horizon incident, the Minerals Management Service (MMS) is requiring operators to report the information listed below:</p> <ol style="list-style-type: none"> <li>1. Any production or drilling facility that is evacuated and when it is reboarded, and</li> <li>2. Curtailed production and resumed production due to the Deepwater Horizon incident. (Curtailed production means well production that is metered for MMS royalties, sales, and other disbursements on your facility that is shut in either partially or totally because of the spill associated with the Horizon incident. This includes un-metered production boarding from other facilities and/or shut-in subsea wells that flow to and are metered on your facility. If production is metered onshore, include that shut-in production in your report.)</li> </ol> <p>This information should be reported immediately. This does not need to be a daily report. Please provide any information regarding effects to personnel and the facility in the "Comment" section. This information should be emailed to <a href="mailto:MMS.GOM.ICC@MMS.GOV">MMS.GOM.ICC@MMS.GOV</a>.</p> <p><b>Please include the following information in your report:</b></p> <ul style="list-style-type: none"> <li>Operator Name</li> <li>Area</li> <li>Block</li> <li>Platform</li> <li>Number of Personnel</li> <li>Evacuated</li> <li>Shut in gas (MCF/day)</li> <li>Shut in oil (BBL/day)</li> <li>Comment</li> </ul>	



<b>5. NTL 2010-</b>	
<b>Title: Information to Lessees (ITL): Protocol for Handling Oiled Birds Report from Offshore Rigs</b>	<b>Effective Date: May 10, 2010</b>
<b>Status: Effective</b>	
<p>As part of the response efforts to the Deepwater Horizon incident, the MMS is forwarding information on behalf of the Unified Command located in Houma, Louisiana.</p> <p>General guidance approved by the Unified Command is as follows:</p> <p>If an obviously oiled bird is found on an offshore rig, platform or boat, a call should be made to the Oiled and Injured Wildlife Hotline (1-866-557-1401) providing the following information:</p> <ul style="list-style-type: none"> <li>• Name of caller</li> <li>• Telephone number</li> <li>• Name of rig/platform</li> <li>• Location (lat-long)</li> <li>• Status of bird</li> </ul> <p>The Wildlife Branch will call the rig/platform to confirm condition of bird and to coordinate recovery and transport of the bird. A determination of appropriate response will be made by the Wildlife Branch.</p> <p>If the oiled wildlife is found and captured on any offshore facility, rig or vessel, the wildlife should be placed in an appropriate size cardboard box with adequate ventilation and placed out of the sun. The Oiled and Injured Wildlife Hotline (1-866-557-1401) must be notified of the status of the wildlife and arrange for transport.</p>	

