



OFFSHORE OPERATORS COMMITTEE



June 17, 2019

Transmitted via hand delivery

Mr. John Adams
Louisiana Department of Natural Resources
Office of Conservation
Executive Division
617 North Third Street, Room 931
Baton Rouge, LA 70802

**SUBJECT: PROPOSED REVISIONS TO STATEWIDE ORDER 29-B
DOCKET NO. R A 2019-03**

Mr. Adams,

The Offshore Operators Committee (OOC) and the Louisiana Mid-Continent Oil and Gas Association (LMOGA), hereinafter referred to as "the Joint Trades," submit the following comments on the above-referenced proposed rule (Docket No. R A 2019-03). The comments contained in this letter are submitted without prejudice to any of our members who may have differing or opposing views.

The Joint Trades

The OOC is an offshore oil and natural gas trade association that serves as a technical advocate for companies operating on the US Outer-Continental Shelf (OCS). Founded in 1948, the OOC has evolved into the principal technical representative regarding regulation of offshore oil and natural gas exploration, development, and producing operations. The OOC's member companies are responsible for more than 90% of the oil and natural gas production from the OCS.

LMOGA, founded in 1923, is a trade association exclusively representing all sectors of the oil and gas industry operating in Louisiana and the Gulf of Mexico. LMOGA serves exploration and production, refining, transportation, marketing and midstream companies as well as other firms in the fields of law, engineering, environment, financing and government relations. LMOGA's mission is to promote and represent the oil and gas industry operating in Louisiana and the Gulf of Mexico by extending representation of our members in the Louisiana Legislature, state and federal regulatory agencies, the Louisiana congressional delegation, the media and the general public.

Joint Trade Comments

1. The Offshore Oil and Gas Industry Supports the Proposed Changes

The Joint Trades understand that the changes proposed in this rule would codify guidance published by the Office of Conservation in an intra-office guidance memorandum dated October 9, 2018. The guidance memorandum and the proposed changes to Statewide Order 29-B provide clarity and allow operational efficiency with regards to exploration and production exempt wastes transported in barges and marine supply vessel cargo tanks, while simultaneously providing environmental safeguards. The Joint Trades support this commonsense rulemaking and encourage the Office of Conservation to implement the changes as a final rule.

It is important for the regulatory agency, the regulated community, and the general public to operate under updated, reasonable and clear regulations. Incorporating agency guidance into formal regulation increases certainty and clarity for all interested parties, which results in enhanced compliance and improved environmental protection.

2. Delete the Term “Barge” in the “Container” Definition

Although the Joint Trades support the proposed changes, we respectfully offer the following minor change to the proposed definition of “Container” (shown in red, strikethrough text below):

Container – a sump, storage tank, process vessel, truck, ~~barge~~, or other receptacle used to store or transport E and P Waste, excluding barges and marine supply vessel cargo tanks.

The latter part of the proposed “Container” definition clearly excludes barges. Therefore, we do not believe it is the intent of the Office of Conservation to include barges as containers in the definition.

3. Consider Minor Changes to the “Residual” Definition

In addition, the Joint Trades offer the following minor changes (shown in red, strikethrough text below) to the proposed “Residual” definition that is applicable to barges and marine supply vessel cargo tanks:

Residual (for barges and marine supply vessel cargo tanks) – shall be the de-minimis quantity of E and P Waste (solids or liquids) remaining in a ~~barge or marine supply vessel cargo tank container~~ using the practices commonly employed to remove materials ~~from that type of container~~ (e.g. ~~pouring~~, pumping and aspirating) and amounting to no more than the non-fluid, non-pumpable/removable material remaining in a marine supply vessel permanent cargo tank or barge after commonly employed removal practices are complete.

The Joint Trades recommend changing the highlighted phrases above to provide additional clarity in the regulations. The definition of “Container” in the proposed rule excludes barges and marine supply vessel cargo tanks. Therefore, barges and marine supply vessel cargo tanks would not

be considered "containers." The use of the word "container" in the definition of "Residual" as it applies to barges and marine supply vessel cargo tanks may create confusion and allow for misinterpretation of the intent of the regulation. By eliminating the use of "container" in the definition of "Residual" the applicability of the term to barges and marine supply vessel cargo tanks becomes clearer.

The Joint Trades appreciate the opportunity to provide these comments to the Office of Conservation and we look forward to the publication of the final rule. If you have any questions, or need additional information, please contact Greg Southworth at greg@offshoreoperators.com.

Sincerely,



Greg Southworth
Associate Director
Offshore Operators Committee



Nathan McBride
Manager of Environmental Affairs
Louisiana Mid-Continent Oil and Gas Association