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July 23, 2018

Susan Bodine, Assistant Administrator for
EPA's Office of Enforcement and Compliance Assurance
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Ms. Bodine,

We write to share our concern about recent enforcement actions by the EPA in response to the violation of Clean Air Act requirements that apply to the storage or transfer of natural gas liquids that are a byproduct of oil and gas production. The rules require storage in tanks that are designed to be leak proof, regular inspections to detect and promptly repair any leaks that do occur, and the recovery or destruction of any vapors that must be released when tanks are emptied or depressurized. EPA investigations have confirmed that leaking tanks and poorly operated flares can emit large amounts of pollutants that form smog, are toxic to human health, and in the case of methane, accelerate global warming.

On February 21, 2018, EPA announced an administrative consent decree with Oklahoma-based Devon Energy, based on investigations that found such pollutants leaking from storage tanks or through flares that were not even turned on. EPA discovered these violations at Texas drilling sites in the Eagle Ford Shale region recently acquired by Devon Energy, after the company had informed Texas that it had completed audits and corrected any noncompliance.

In December of 2016, EPA discovered similar violations at multiple wellpads in northeastern Ohio owned by Chesapeake Energy and Gulfport Energy. Both of these companies are also headquartered in Oklahoma.

In the past, EPA has resolved such cases by requiring violators to pay millions of dollars in penalties, and spend millions more for specific actions to upgrade pollution controls, improve leak detection and repair, and take other steps to protect air quality. For example, consent decrees with Noble Energy and PDC Energy in Colorado and Slawson Exploration in North Dakota required payment of a combined total of \$9.55 million in civil penalties and, \$12.25 million for environmental mitigation, and an total investment of \$82.3 million on pollution controls and better leak detection programs.

The administrative settlement with Devon Energy imposes no penalties, includes no environmental mitigation, and unlike the consent decrees for its competitors, requires third-party oversight, and sets no timeframe for corrective action, does not include monthly inspections or require that large tanks be identified for EPA tracking purposes. The Devon settlement also contains minimal reporting requirements, and includes no stipulated penalties for violation of the vague terms of the Devon agreement. Meanwhile, EPA has taken no enforcement action at all against Oklahoma-based Chesapeake Energy and Gulfport Energy, more than 18 months after notifying these companies of the numerous and serious violations at their Ohio sites.

We understand that the Devon agreement reserves EPA's right to take further action against Devon, and the agency may yet follow up on the serious violations it found at the Chesapeake and Gulfport sites. We respectfully request that you exercise your authority, and demonstrate that Oklahoma corporations are not subject to a more relaxed "rule of law" than the one that applies to their competitors.

Respectfully,

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