



eBrief

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GPA honors the life of George P. Mitchell

Our industry lost a legend in Texas oilman, developer and philanthropist George P. Mitchell late last month. Mitchell, dubbed “the father of natural gas shale drilling” by Forbes magazine, made invaluable contributions to the midstream industry as the first to use hydraulic fracking to crack open the Barnett shale field in Texas.

Thirty years ago, GPA honored Mitchell with the gas processing industry's highest honor, the Hanlon Award, at the 62nd annual GPA Convention. In presenting the award, GPA's president at the time, C.F. Gee, said Mitchell “personifies the venturesome entrepreneur that has built the oil and gas industry, through good times and bad, for over a hundred years. Each generation has had its prominent wildcatter and risk taker, and today we honor one of the best known wildcatters of our generation of oil men.” For a historical reference, we encourage you to read Gee's entire speech recognizing Mitchell as the Hanlon recipient, taken from the 1983 GPA Convention Proceedings: <http://tinyurl.com/G-Mitchell-GPA>.

Mitchell made even more contributions to the industry since he received the honor in 1983, along with millions in charitable contributions toward Alzheimer's disease research. He also funded the establishment of two centers focused on research for the disease and related brain disorders, one in Houston and the other in his hometown of Galveston, Texas. His contributions extended well beyond Alzheimer's research, touching a number of organizations and causes.

Although we were saddened to hear of Mitchell's passing, we greatly value his contributions to the midstream industry and honor him for touching numerous lives through his selfless charitable donations.

GPA concludes another successful School of Gas Chromatography

Throughout GPA's history, great importance has been placed on accurate and reliable analytical techniques, and as part of that mission, GPA hosts its annual School of Gas Chromatography. For the last 40 years, the school has provided invaluable hands-on training directed toward chromatograph operators, measurement technicians and engineers involved with chromatography. GPA recently concluded the 2013 chromatography school, which was held in Tulsa, Okla.

The school's 18 instructors, all volunteers, are experts in the field of gas chromatography and have 200 years of combined experience with GPA's chromatography school. Many of the instructors are also members of Section B - Analysis and Test Methods, and the section is consistently seeking improvements to the analytical techniques, which

in turn are incorporated into GPA and American Petroleum Institute methods used by the midstream industry every day. We would like to recognize the following chromatography school instructors who dedicated an entire week of personal time to share their knowledge and expertise with students attending from across the United States, plus the Dominican Republic, Mexico and Trinidad:

Joe Landes, SPL - Section B Chair
Bob King, DCP Midstream - Section B Vice Chair
Mark Scripsick, Enbridge - Former Section B Chair
Mario Aparicio, Agilent Technologies
Susan Brandon, Airgas
Scott Martinez, Air Liquide
Mark McConnell, Analytical Instruments Corp.
Matt Stevens, Custom Solutions Group
Michael Peckham, Enterprise Products Co.
Vince Giarrocco, INFICON
Lloyd Winn, J-W Measurement Co.
Ron Carnahan, MarkWest Hydrocarbon
Matt Holmes, ONEOK
Trevor Judice, Sherry Labs
Ricky Rayon, Sherry Labs
Carl Alleman, SPL
Diana Bowling, SPL
Dee Orr, SPL

We would also like to recognize longtime school coordinator Carl Hefley, who has been involved with coordinating instructors and securing equipment for demonstration for more than 30 years. In addition to the instructors' expertise, another big part of the school's success comes from the vendors that loan their equipment to the school to ensure the students receive accurate demonstrations and hands-on training. Thank you to the following companies that provided equipment this year:

ABB
Agilent Technologies
Air Liquide American Specialty
Airgas
Analytical Instruments Corp.
Bruker Daltonics
Cherokee Measurement & Control
Custom Solutions Group
Emerson Process Management
Enbridge
INFICON
M&D Controls
Scientex
Scientific Marketing
Sherry Labs
Shimadzu Scientific Instruments
Total Systems and Controls
Welker

We give full credit to all of our instructors and vendors for another successful year. Thank you!

GPSA to increase annual membership dues

After an in-depth discussion by GPSA's Executive and Financial Advisory Committee during its June meeting, the group recommended to the GPSA board of directors that the association's annual dues be increased to \$500 per year. Since 2003, GPSA membership dues have been held flat at \$300 per year; for 12 years prior to that, dues were held level at \$200 per year.

At its June 20 meeting in Santa Fe, N.M., the GPSA board unanimously approved the increase in annual membership dues and also supported an increase in the entertainment budget for the Tuesday night party at the annual GPA

Convention. The board requested that staff re-work the 2014 budget to reflect the additional dues income and an increase in the entertainment budget. The dues increase will be implemented for the 2014 dues year.

Research reports available

GPA Research Report (RR) 217 - *GPA Technical Data Development Committee Support for GPSA Data Book 13th Edition* has been reprinted to incorporate errata.

In addition, the following GPA Research Reports have been published and are available on the GPA web site.

RR-206 – *Hydrocarbon Solubility in Glycol and Amine Solutions*

Coordinator: Jeff Matthews, URS
Researcher: Trimeric Corp.

RR-208 – *Methanol Solubility in Natural Gas*

Coordinator: Jeff Matthews, URS
Researcher: Trimeric Corp.

RR-209 – *Solubility of H₂S and CO₂ in EG and TEG*

Coordinator: Jeff Matthews, URS
Researcher: Trimeric Corp.

RR-210 – *Acid Gas Water Content*

Coordinator: Jeff Matthews, URS
Researcher: Rice University

RR-218 – *Loaded Amine Transport Properties*

Coordinator: Tim Cullinane, ExxonMobil
Researcher: LTP – Laboratory for Thermophysical Properties

GPA members voting on proposed bylaws revisions

Earlier this month, GPA's voting members received a ballot package proposing changes to GPA's bylaws. The proposed changes were recommended by GPA's Executive and Finance Committee, which suggested to the board of directors that GPA staff and elected officers could be better served with updated titles to reflect the duties they perform. The proposed revisions do not impact the makeup or size of the board of directors, membership benefits/services, member company dues or association scope.

The bylaws revisions were reviewed and unanimously approved by the GPA board of directors on June 21, and to be implemented, the revisions must have an affirmative vote of two-thirds or more of the returned ballots. As a reminder to those who received the ballot package, the deadline to return your ballot is Sept. 15.

If the ballot passes, the new bylaws will go into effect upon notifying GPA members that the ballot was approved.

EPA signs proposed NSPS Subpart OOOO rule revisions

On Aug. 2, the Environmental Protection Agency (EPA) signed the revised NSPS Subpart OOOO rules, which were proposed in the Federal Register dated April 12, 2013. The proposed rule revisions are part of an agreed settlement between EPA and petitioners, including GPA, who filed Requests for Reconsideration with EPA and Petitions for Review with the D.C. Court of Appeals in response to the original rule as published in the Federal Register on Aug. 16, 2012. These amendments dealt mostly with storage vessel issues.

Under a short comment period timeline, the NSPS Subpart OOOO workgroup, comprised of members of the GPA Environmental Committee and led by Lynn Reed, ONEOK, reviewed the proposed rule revisions and drafted significant comments, including proposed regulatory language. Workgroup representatives Lynn Reed; Laura Weber, DCP Midstream; Grover Campbell, Chesapeake; and Jeff Adams, BP, met with EPA representatives in June to discuss GPA's comments. As a result of the meeting, and at the request of EPA representatives, our workgroup diligently compiled additional data to support GPA comments in between the agency meeting and the final rule revisions.

As a result of GPA's and other petitioners' efforts, EPA incorporated many of the changes requested by GPA. These changes include, but are not limited to, the following:

- a) Clarifying that the rule applies only to storage vessels containing crude oil, condensate, intermediate hydrocarbons, or produced water with VOC emissions greater than 6 tons per year
- b) Acknowledging that storage tanks with VOC emissions less than 6 tons per year under federal, state or other local regulatory requirements are not subject to the rule
- c) Acknowledging that vapor recovery units are not control devices but process components
- d) Establishing a compliance date of April 15, 2015, for the installation of controls on Group 1 storage tanks
- e) Providing 90 days from the end of the reporting period to file the annual report

The GPA Environmental Committee workgroup will continue reconsideration discussions with EPA on a second set of amendments dealing with other affected facilities. These amendments are scheduled to be proposed by year-end 2013 and finalized by late 2014.

Houston GPA Membership Drive & Shrimp Boil

Houston GPA (HGPA) invites you to attend its annual Membership Drive and Shrimp Boil on Sept. 19 from 5 - 8 p.m. at Big Woodrow's on Chimney Rock. This will be a great opportunity to join or renew your membership, network with a great group of Houston-area midstream professionals and contribute to the chapter's individual and endowment scholarship fund. The event fee is \$45 for members and guests, and a portion of the fee will go toward the scholarship fund, which supports engineering students with interests in production, processing, treating or transmission of natural gas and/or products extracted from the gas.

For more information or to register, visit www.houstongpa.org.

GPA continues activity in Pennsylvania

With the budget behind them, Pennsylvania legislators will return at the end of September, ready to take on issues that were not completed by July 1. Unlike the other state legislatures that GPA tracks and works with that are in session three, four, or five months per year, the Pennsylvania Legislature meets every year, all year long.

The major issue facing the industry will be determined by what the state Supreme Court decides on Act 13: impact fee on drilling activity. The decision will determine the path forward for the piece of legislation that has yet to be enacted. We expect that decision in the early part of the fall; there is, however, a petition to retry the case. In regard to legislation, GPA lobbyist Ashley Davis, Blank Rome Government Relations, reports there are several bills that were not completed that could be dealt with early, such as PA One Call legislation. She expects several new bills to be introduced as well.

The fall will be a good opportunity for GPA to continue the discussion of natural gas and its importance and value to Pennsylvania. We are exploring additional opportunities to increase GPA's visibility in Pennsylvania by possibly hosting an event with legislators, and perhaps scheduling a future GPA board meeting in the Pittsburgh area.

U.S. Senate hearing on Energy Tax Reform

On July 31, the Energy, Natural Resources, and Infrastructure Subcommittee of the U.S. Senate Finance Committee held a hearing on "Powering Our Future: Principles for Energy Tax Reform." Sen. Debbie Stabenow (D-MI) is chair of the subcommittee and Sen. John Cornyn (R-TX) is the ranking Republican. During the hearing, senators and witnesses discussed current energy tax incentives for fossil fuels and renewable energy with an emphasis from Sen. Cantwell (D-WA) that fossil fuel tax incentives need to be eliminated, while renewable energy tax incentives should be increased.

Senators Coons (D-DE) and Moran (R-KS) testified in support of their bill, the MLP Parity Act, to expand the use of master limited partnerships (MLP) to include renewable energy while maintaining the current MLP structure. The second witness panel included four private sector energy experts. Three of the four witnesses discussed MLPs in their testimony, with two of them supporting expanding MLPs to include renewable energy, and the third just mentioning MLPs as a current tax incentive for the oil and gas industry. The fourth witness, Dr. Margo Thorning of the American Council for Capital Formation, defended the current oil and gas tax incentives and cited a report from the Congressional Research Service that in 2012, renewable energy received 81 percent of the \$16.6 billion of federal energy tax incentives provided that year and fossil fuels, including oil and gas, received only 19 percent.

While none of the senators or witnesses said MLP tax treatment should be eliminated, the Democrat senators continue to fall back on their talking points stating that the oil and gas tax incentives should be eliminated. MLPs typically have not been part of those discussions, but as tax reform moves forward, every provision that is considered a tax expenditure, which includes MLPs, will be carefully scrutinized to determine whether it should be included in a reformed tax code.

GPA Legislative Committee leaders continue to monitor this activity to identify potential impacts on our members.

2014 GPA Convention sponsorship and Vendor Night registration to open next month

Sign-ups for 2014 GPA Convention sponsorship and Vendor Night opportunities will open on Monday, Sept. 9 at 8 am. Central Standard Time and will once again be available on a first-paid, first-served basis. To learn more about available options, download the 2014 GPA Promotional Opportunities Packet:

<https://www.gpaglobal.org/assets/gpaglobal/gpa/pdf/convention/2014/2014-GPA-Promotional-Opportunities.pdf>

For more information, contact Crystal Myers: (918) 493-3872 or cmyers@GPAglobal.org.

GPA/GPSA Calendar

September

9 - Sign-up begins for 2014 GPA Convention sponsorship and exhibit opportunities

12 - Rocky Mountain GPA Annual Meeting

13 - Rocky Mountain GPA Annual Sporting Clays

19 - North Texas GPA Annual Shrimp Boil

19 - Houston GPA Annual Shrimp Boil

20 - MidContinent GPA Fall Clay Shoot

18-20 – GPA Europe 30th Annual Conference

October

1 - Technical Sections B, C, and M Meetings

2 - Technical Sections A and H Meetings

3 - Appalachian Basin GPA Luncheon

4 - Appalachian Basin GPA Clay Shoot

10 - Houston GPA Annual Meeting and Golf Tournament

22-23 - GPA/GPSA Fall Board Meetings

23 - GPAC/PJVA Joint Conference

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