December 6, 2017

The Honorable Mike Walsworth, Chairman
Senate Committee on Environmental Quality

The Honorable Stuart Bishop, Chairman
House Committee on Natural Resources and Environment

RE: Final Summary Report for Proposed Rule AQ348S
Regulatory Permit for Storage Vessels
[LAC 33:III.321]
Proposed on June 20, 2017

Pursuant to the Louisiana Administrative Procedure Act, the Louisiana Department of Environmental Quality is submitting a report regarding the above-referenced proposed rule, which was published in the Louisiana Register. Two public hearings were held with comments received. Amendments to the proposed rule were made in response to the first set of comments. No amendments are being made in response to the second comments. This final summary report is comprised of the attached electronic document.

We would appreciate it if you would acknowledge receipt of this message by return email. Please contact Susan Ham at (225) 219-4231 if you have any questions regarding this material.

Sincerely yours,

Herman Robinson,
General Counsel

This concludes this transmission.

Susan Ham, Paralegal
Louisiana Department of Environmental Quality
Legal Division
(225)219-4231
Final Comment Summary Response & Concise Statement –
Substantive Changes to Proposed Rule AQ348
Regulatory Permit for Storage Vessels
LAC 33:III.321
Log Number AQ348S

COMMENT 1: LMOGA submitted comments on August 2, 2017, to the Department of Environmental Quality ("DEQ") requesting AQ348 consider clearly limiting the jurisdiction by expressly excluding exploration and production vessels. LMOGA provided recommended language. In addition, LMOGA proposed adding language to §321.B explicitly excluding produced water tanks.

Subsequently, the DEQ published a notice for a substantive rule change hearing in the potpourri section, AQ348S, of the Louisiana State Register on October 20, 2017, without making LMOGA’s requested changes. Based on response to comments by the DEQ on AQ348 and the DEQ’s decision not to include such language, LMOGA infers that the above rule shall only apply to downstream oil and gas, not activities related to the exploration and production.

No arguments necessary; comment does not suggest amendment or change.

RESPONSE 1: As noted in the Comment Summary Response & Concise Statement associated with AQ348, LDEQ concurs that the Regulatory Permit for Storage Vessels is not intended to address the Crude Petroleum and Natural Gas source category (SICC 1311). For example, the storage vessel standards under LAC 33:III.321.D do not address 40 CFR 60 Subparts OOOO or OOOOa or 40 CFR 63 Subpart HH. Instead, the Minor Source Air General Permit for Crude Oil and Natural Gas Production (commonly referred to as the MSOG) is LDEQ’s preferred mechanism to streamline the permitting of such facilities.

* indicates a fast-track regulation
**Final Comment Summary Response & Concise Statement –**  
**Substantive Changes to Proposed Rule AQ348**  
**Regulatory Permit for Storage Vessels**  
**LAC 33:III.321**  
**Log Number AQ348S**

<table>
<thead>
<tr>
<th>COMMENT #</th>
<th>SUGGESTED BY</th>
</tr>
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</table>
| 1         | Tyler Gray, General Counsel  
           | Louisiana Mid-Continent Oil and Gas Association (LMOGA) |

Comments reflected in this document are repeated verbatim from the written submittal.

Total Commenters: 1  
Total Comments: 1

* indicates a fast-track regulation
From: Microsoft Outlook
To: 'apa.housespeaker@legis.la.gov'; 'apa.senatепresident@legis.la.gov'; 'apa.s-envq@legis.la.gov'; 'apa.h-natr@legis.la.gov'
Sent: Wednesday, December 06, 2017 7:57 AM
Subject: Relayed: Summary Report on AQ348S

Delivery to these recipients or groups is complete, but no delivery notification was sent by the destination server:

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Subject: Summary Report on AQ348S
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Your Administrative Procedure Act (APA) submission has been received by the Committee on Environment, Louisiana Senate.

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ELECTRONIC RECEIPT FROM THE OFFICE OF THE SPEAKER

Your Administrative Procedure Act (APA) submission has been received by the Office of the Speaker, Louisiana House of Representatives.

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If you would like to contact members of a particular committee, click here for House Committees https://www.legis.la.gov/legis/Committees.aspx?c=H and here for Senate Committees https://www.legis.la.gov/legis/Committees.aspx?c=S. The name and contact information of all committee members is available at these sites.