

Cc: Wagner, Kenneth[wagner.kenneth@epa.gov]; Bangerter, Layne[bangerter.layne@epa.gov]; Jackson, Ryan[jackson.ryan@epa.gov]; Robinson, Bonnie[Robinson.Bonnie@epa.gov]; Hanson, Andrew[Hanson.Andrew@epa.gov]; Kenney, James[Kenney.James@epa.gov]
To: Pruitt, Scott[Pruitt.Scott@epa.gov]
From: Ryan Steadley
Sent: Tue 5/30/2017 4:57:03 PM
Subject: State Review of Oil and Natural Gas Environmental Regulations (STRONGER) Introduction
[STRONGER Letter of Introduction to EPA Administrator Pruitt.pdf](#)

Good Afternoon Administrator Pruitt,

I hope you had a pleasant Memorial Day weekend. Please see the attached letter of introduction to the STRONGER organization. I have also mailed a hardcopy to your office.

Kind Regards,

Ryan Steadley
Executive Director
STRONGER
405.249.6131



Ryan Steadley
Executive Director
STRONGER, Inc.
224 Wilderness Drive
Norman, Oklahoma 73071

Scott Pruitt
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, N. W. (1101A)
Washington, DC 20460

Dear Administrator Pruitt,

My name is Ryan Steadley, Executive Director of State Review of Oil and Natural Gas Environmental Regulations (STRONGER). I am writing to introduce the STRONGER organization to you and your team and provide some historical context of our work with the states and the Environmental Protection Agency (EPA). STRONGER's work is especially relevant in light of the 2016 consent decree EPA entered over Subtitle D of the Resource Conservation and Recovery Act (RCRA).

STRONGER's history with EPA begins with the 1988 RCRA Subtitle C exemption for oil and gas exploration and production (E&P) wastes. EPA cited six reasons for making that determination, one of which is of primary relevance to STRONGER: "Existing state and federal programs are generally adequate, and regulatory gaps can be addressed under non-hazardous portions of RCRA, and by working with the states." At the time, EPA indicated that it planned to work with the Interstate Oil and Gas Compact Commission (IOGCC) to encourage states to address identified regulatory gaps.

IOGCC approached EPA in 1989 and proposed a multi-stakeholder process involving state oil and gas regulators, oil and gas industry professionals, and environmental public interest advocates in developing guidelines for state programs that would subsequently be used as evaluation criteria during voluntary reviews. These reviews would identify potential gaps in state regulations and provide recommendations for improvement. EPA's support of this model is evidenced by the agency's funding during the initial guidelines development process, as well as the first reviews. The review process was recognized in 1995 by a Presidential Task Force as a model for state/federal interaction.

Despite this success and recognition, the process began to decline after 1995. Among the reasons for the decline were a decrease in financial support from EPA, a loss of institutional memory, and a breakdown in communications between some of the stakeholders. These issues brought an end to State Reviews in 1997.

Concurrent with this time period, EPA was encouraged to revisit the risks of E&P generated wastes. EPA convened a meeting of the State Review stakeholders in late 1998 to address their concerns in an attempt to restart the process. The outcome of EPA's effort was the formation of STRONGER in 1999 as a multi-stakeholder governed organization to manage the process independent of IOGCC. At its inception, STRONGER received funding from EPA, the Department of Energy (DOE), and The American Petroleum Institute (API). However, only API's support has remained constant while support from EPA and DOE has decreased¹. The last federal support for the State Review process

¹ See figure one.

came in 2012 via a cooperative EPA/DOE grant to the Ground Water Protection Council (GWPC), which was providing administrative support to STRONGER at the time.

While initially intended to evaluate state regulation of E&P wastes, the scope of the Guidelines and State Reviews has broadened under STRONGER to encompass additional relevant topics. The current Guidelines address Administrative and Technical Criteria, Abandoned Sites, NORM, Stormwater Management, Hydraulic Fracturing, Air Quality, and Reused/Recycled Fluids. Reviews are conducted by multi-stakeholder teams of subject matter experts at no cost to the volunteer state, and all Guidelines and State Review Reports are available to the public at no cost at www.strongerinc.org. To date, twenty-four states have voluntarily participated in the State Review process². Eleven states have volunteered for at least one follow-up review. Follow-up reviews and surveys indicate that approximately seventy-five percent of review recommendations have been implemented. Through their participation on Guidelines Development Workgroups and State Review Teams, environmental advocates, state regulators, and the oil and gas industry have benefited from STRONGER's work³.

In assessing the State review process, one sees a "cycle" of interest dealing with E&P generated waste. It begins in 1985 when EPA was sued by the Alaska Center for the Environment to conduct the study that eventually led to the Subtitle C exemption for E&P generated materials. The issue was raised again circa 1998, when EPA was encouraged to revisit the issue. The third cycle for this issue occurred in 2016 with the suit brought against EPA over Subtitle D of RCRA.

The first cycle ended with the creation of the State Review process under IOGCC. That initial effort was successful until federal funding waned, ironically evaporating completely in the same year that the State Review process was recognized as a model of state/federal interaction. The second cycle ended with the formation of STRONGER and the reinvigoration of the State Review process. History is repeating itself in this third cycle; with no federal funding for the State Review process, and EPA once again having faced a lawsuit over E&P generated wastes.

There is a path forward to a positive conclusion of this present cycle. The first step on that path is a renewed commitment to STRONGER with financial support from EPA. STRONGER's work aligns with EPA's goals of cooperative federalism and fit-for-purpose state regulations that promote economic growth and environmental protection. However, the credibility of that work is diminished when the organization relies entirely on industry funding. The second step is a commitment by states to volunteer for reviews on an ongoing basis. STRONGER's work has indisputably resulted in improvements to state oil and gas regulatory programs, but more work remains to be done. States should recognize the RCRA-D consent decree as a compelling reason to volunteer for reviews, both to demonstrate the adequacy of their programs, and to document their continuous improvement efforts. With an ongoing commitment to STRONGER from EPA and the states, this third cycle could be the last. I urge you to direct EPA to support STRONGER with a grant matching API's annual contribution of \$100,000.00 so that STRONGER can continue its important work on behalf of the states, the public, and the oil and gas industry.

Sincerely,



Ryan Steadley
Executive Director
STRONGER, Inc.

² See figure two.

³ See addendum.

Figure one, STRONGER Funding 1999-2016:

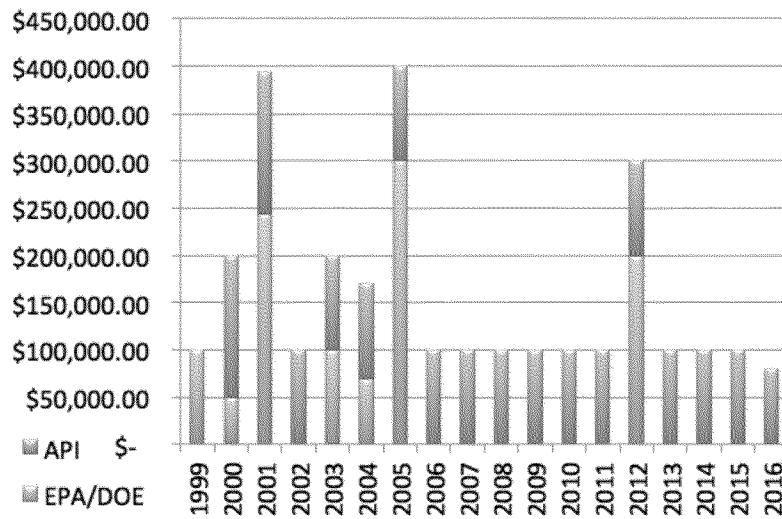
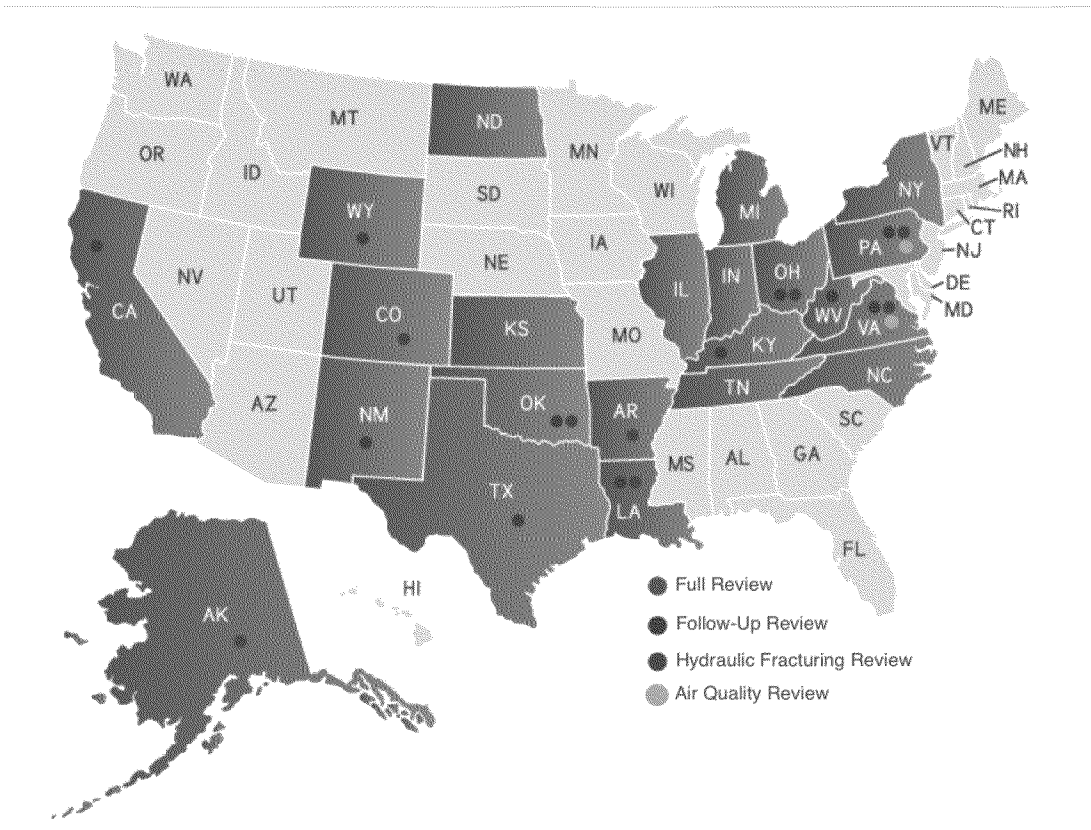


Figure two, map of State Reviews 1990-2016:



Addendum: Support for STRONGER

Scott Perry, Deputy Secretary, Office of Oil and Gas Management, Pennsylvania Department of Environmental Protection:

The Commonwealth of Pennsylvania's Department of Environmental Protection (DEP) has undergone six STRONGER reviews of its oil and gas regulatory program – the most of any state. DEP participated in these reviews as a demonstration of our commitment to a process of continuous improvement. The reviews by the STRONGER team have directly lead to regulatory and policy enhancements which have contributed to the world class performance of the oil and gas industry in Pennsylvania. The oil and gas industry is ever changing to meet new challenges. A competent regulatory program must remain receptive to change as well and STRONGER reviews are an ideal way to identify program strengths and areas of improvement.

Tim Baker, Director, Oil and Gas Conservation Division, Oklahoma Corporation Commission:

The Oil and Gas Conservation Division (OGCD) is very appreciative of the STRONGER review process. The original creation of the jointly published "Study of State Regulation of Oil and Gas Exploration and Production Waste" by the Interstate Oil Compact Commission (now the Interstate Oil and Gas Compact Commission) and the Environmental Protection Agency, created guidelines for states to use in the regulation of oil and gas exploration and production wastes. Oklahoma was one of the first participants in the review process in 1992 and has participated in follow-up reviews as the guidelines have been modified to keep pace with technology and increasing environmental concerns. The STRONGER state review program allows oil and gas state regulatory programs the opportunity to demonstrate their success in regulating the oil and gas industry while at the same time offer recommendations for program improvements. I think one of the most critical issues that states face is the lack of credit states are given on the successes they have accomplished on the regulation and oversight of wastes generated in the oil and gas industry. The STRONGER program provides an avenue for states to promote their accomplishments. Over the years I believe the STRONGER review process has demonstrated to be a credible vehicle to use to get the message out that states can regulate the industry on the state level more efficiently than what could be accomplished on the federal level.

Cathy Foerster, Commissioner/Chair, Alaska Oil and Gas Conservation Commission:

I have participated on both sides of the STRONGER process – as a state regulator benefiting from a STRONGER review of my state's regulations and as a member of a group developing STRONGER guidelines. In both instances I benefitted greatly. As recipient of a review, I appreciated the thoughtful and relevant feedback the reviewers provided. As part of the team developing guidelines, I learned from the other participants and felt that our completed product was thorough and balanced. In both experiences I was treated respectfully and felt that my thoughts, ideas, and concerns were heard.

Lee O. Fuller, Executive Vice President, Independent Petroleum Association of America:

When EPA completed its Regulatory Determination in 1987, it created the expectation of an ongoing interaction with states to periodically evaluate their oil and natural gas production wastes management programs. Since 1999, STRONGER has been the designated manager of those reviews – reviews that have allowed EPA to monitor the quality of state regulations. These STRONGER reviews have demonstrated that state regulatory programs are effectively managing production wastes and confirmed that federal regulations are both inappropriate and unnecessary.

Erik Milito, Group Director, Upstream and Industry Operations, American Petroleum Institute:

The American Petroleum Institute (API) supports the unique multi-stakeholder organization State Review of Oil and Natural Gas Environmental Regulations (STRONGER). As a regulatory effort, STRONGER offers an open and public review process with participation of stakeholders from the industry, state regulatory programs, and members of the environmental public interest community. This process promotes the sharing of innovative techniques and lessons learned among the states – while providing regulators the opportunity to tailor specific individual state programs for unique state circumstances. A hallmark feature of the collaborative STRONGER process is its commitment to continuous improvement through consensus. Funding was initially provided by federal government agencies, but for the past several years, API has been the sole financial contributor to the program; annually sustaining a vital, one-of-a-kind program.

Scott Anderson, Senior Policy Director for Oil and Gas, Environmental Defense Fund:

STRONGER reviews of state oil and gas environmental regulations have played and continue to play an important part in helping states improve their oversight of industry activity. Improved oversight better protects our air and water resources and communities near oil and gas development.

Bruce Baizel, Director, Energy Program, Earthworks:

As the only multi-stakeholder, consensus-based organization engaged in working with states to improve regulation of oil and gas development, STRONGER occupies a valuable niche. STRONGER reviews have resulted in improved regulatory performance over the years. The organization also provides a forum for state regulators, industry and public/environmental stakeholders to constructively discuss changes in this fast-changing industry.