



Processing Facilities and PHMSA Jurisdiction

Midstream Regulatory Jurisdiction

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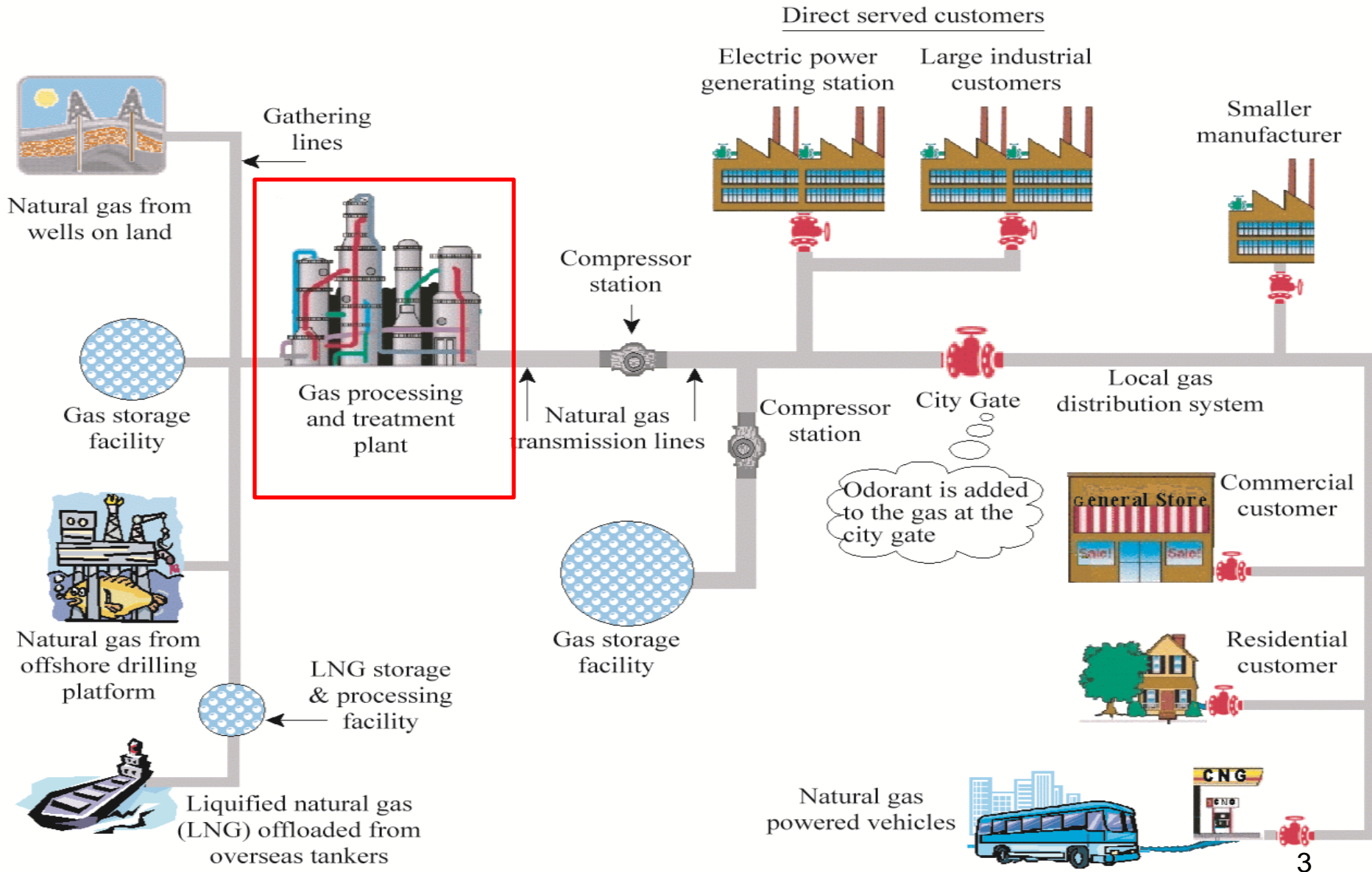
Dep. AA for Field Operations



Need for a Work Group

- Regulatory oversight of midstream processing facilities (PHMSA or OSHA)
- Desire to create a working group of knowledgeable stakeholders to discuss the issues.

Natural Gas Industry - From Well to House

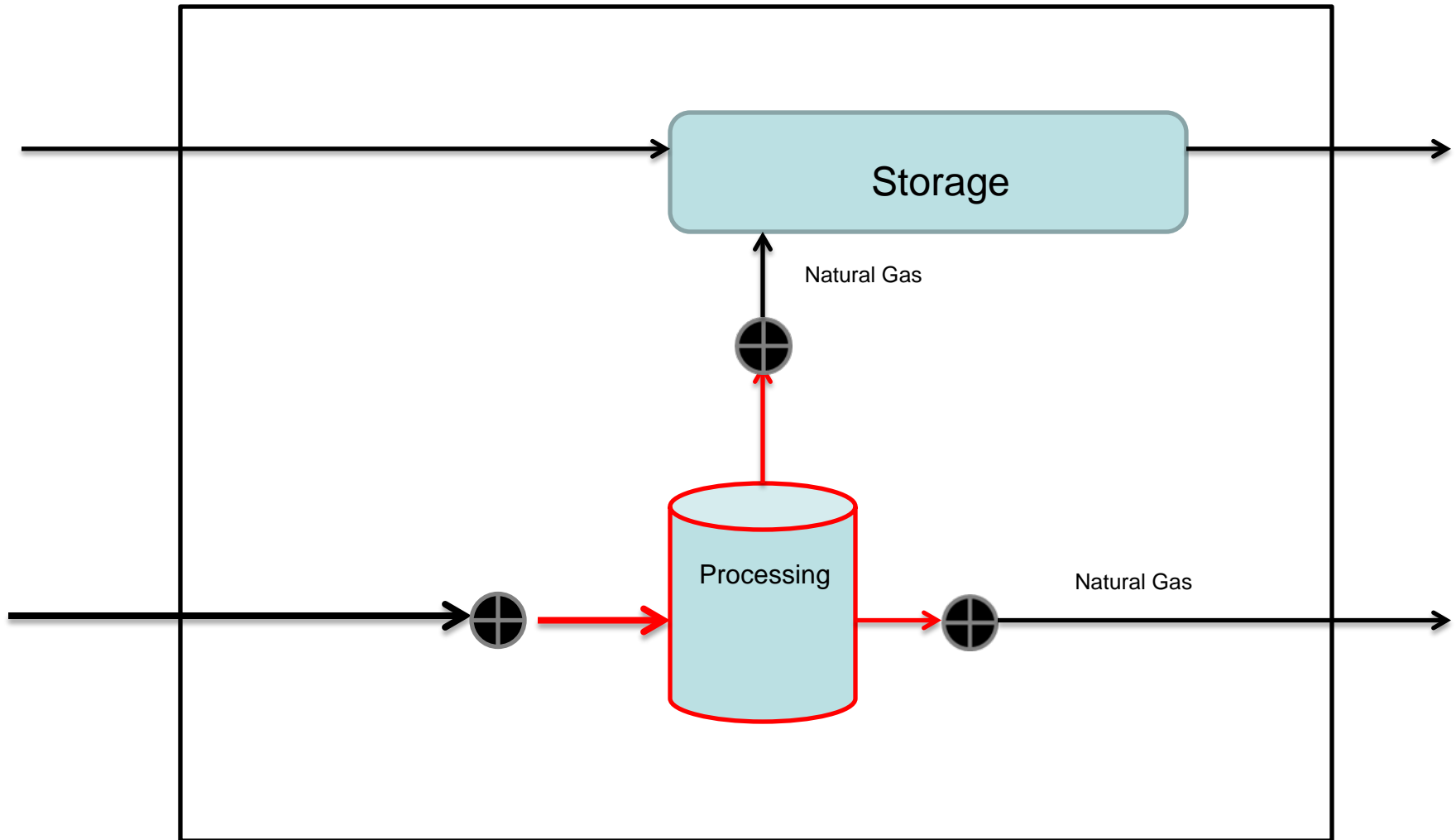




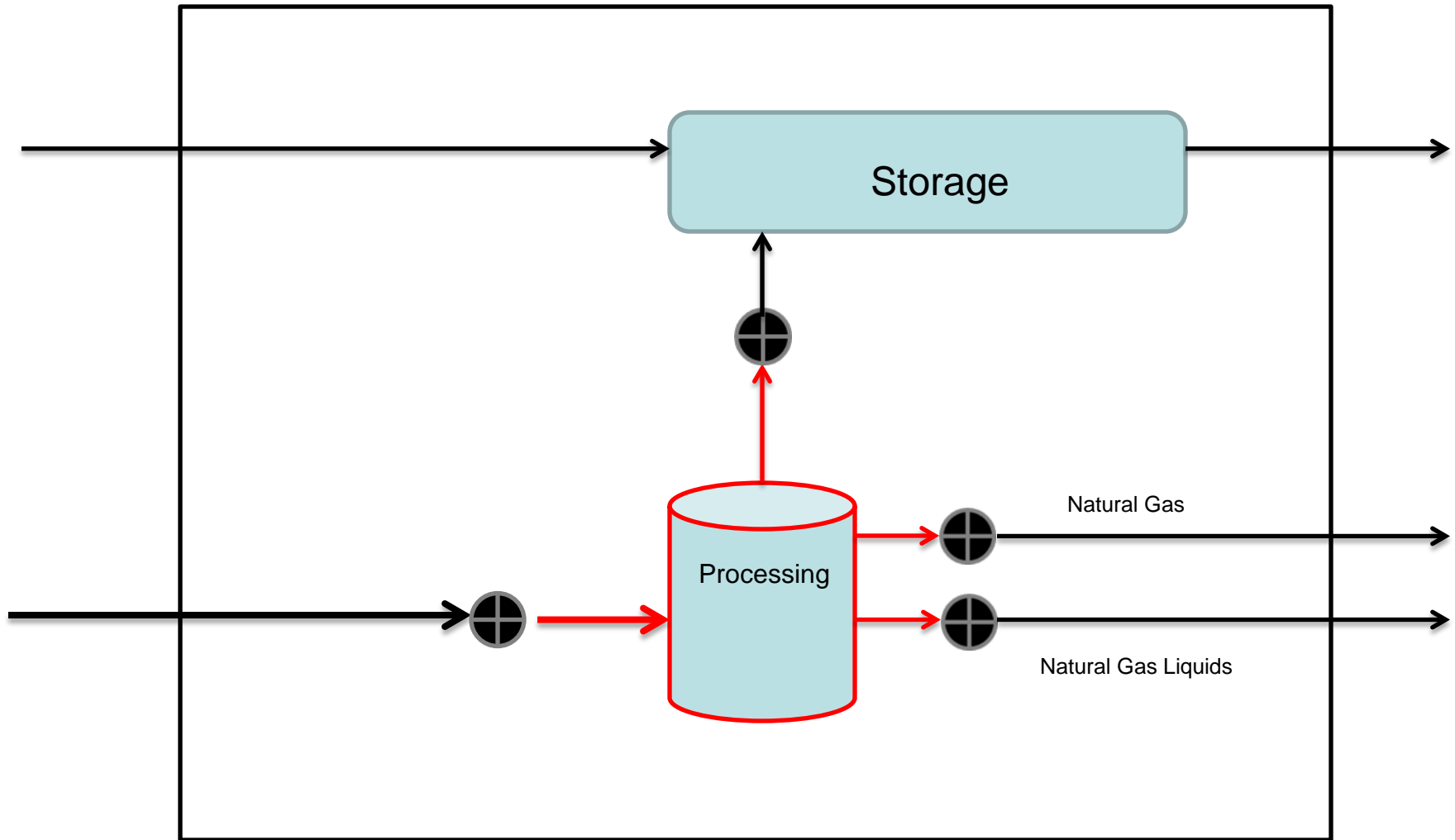
Processing Plants

- Processing can include:
 - Treatment of H₂S
 - Dehydration (water removal)
 - Separation of gas liquids from natural gas
 - Removal of contaminants
 - Etc.

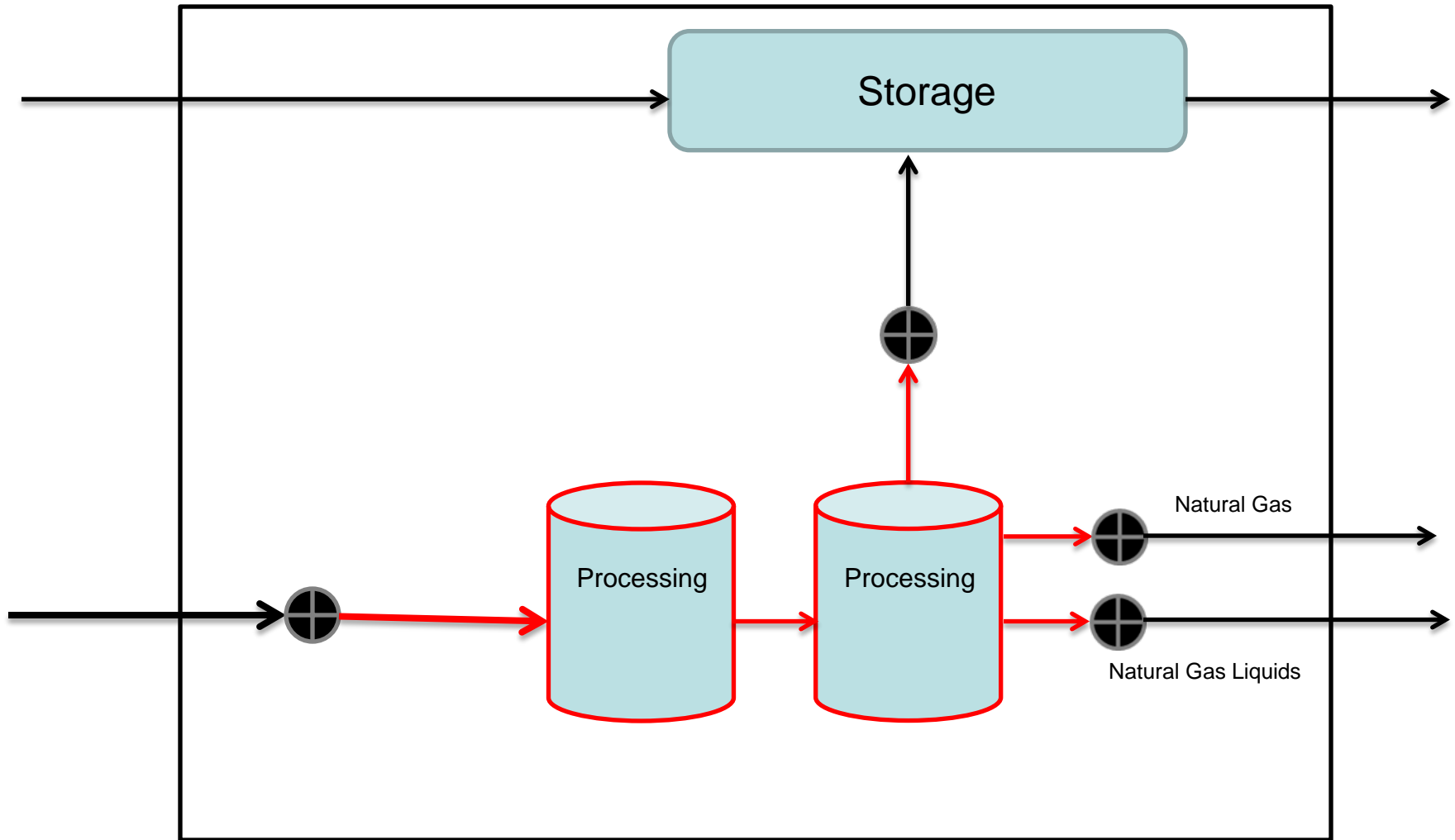
—————→ PHMSA Jurisdiction
—————→ OSHA Jurisdiction



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Current Policy

- PHMSA supports a practice of no gaps/no overlaps.
- PHMSA has not changed its policy or inspection approach toward processing facilities.
- PHMSA has no interest in regulating processing units.
- OSHA regulates gas processing units.
- PHMSA and OSHA are in agreement on jurisdictional lines.
- Neither PHMSA or OSHA are limited by fence lines.



Going Forward

- PHMSA and OSHA want to better understand the concerns of the midstream companies.
- There may be issues we do not perceive but impact companies.
- Increasing number of processing facilities (due to shales) make it an important issue to resolve.