

N.C. Oil and Gas Commission

Minutes of the Tuesday, 9 November 2021 Meeting*

The meeting of the Oil and Gas Commission took place at 10:00 A.M. on 9 November 2021 via WebEx tele-conference, hosted by the North Carolina Department of Environmental Quality (DEQ).

00:00:05 – **Chairman James K. Womack, Jr.** opened the meeting with a moment of silence and led the Pledge of Allegiance.

00:01:02 – Chairman Womack read the Ethics reminder from the Elections and Ethics Enforcement Act, then asked the members to identify any conflicts of interest. No conflicts were identified.

00:01:34 – Chairman Womack conducted a roll-call attendance of Commissioners. In attendance: **Commissioner Rebecca W. Salmon, Commissioner Stanford Baird, Commissioner John Lucey,** and Chairman Womack. A quorum was declared.

00:03:58 – Chairman Womack asked if there were any additions or revisions to the meeting agenda. No edits or additions were given. Chairman Womack opened the floor for a motion to approve the agenda. Commissioner Salmon made a motion to approve the agenda, seconded by Commissioner Baird. Commissioner Lucey made a motion to approve the 10 August 2021 meeting minutes and Commissioner Salmon seconded the motion. **DEQ Senior Policy Advisor Jennifer Mundt** conducted a roll-call vote. All Commissioners in attendance voted to approve the agenda.

<time gaps from technical issues>

00:09:04 – Chairman Womack moved the discussion to a statement from **State Geologist and Geological Survey Section Chief Dr. Kenneth B. Taylor** regarding inquiries to the Geological Survey concerning oil or gas permitting since the August 2021 meeting. Dr. Taylor declared that there have been no inquiries to report.

00:09:59 – Chairman Womack moved the discussion to a presentation from representatives of the Pennsylvania Department of Environmental Protection regarding new regulatory standards for oil and gas exploration and development (**Charles Boritz, Air Quality Engineering Specialist** and **Viren Trivedi, Air Quality Permit Chief**). Report highlights from Pennsylvania: on-shore natural gas facilities -must report greenhouse gases; pipelines are regulated by Pennsylvania's Department of Transportation; the process of "pigging" was described as a mandated method of moving a cylinder-shaped device, which is moved through the pipeline periodically, to remove excess liquid material build-up; and the EPA tracks CO2 emissions based on what is exported from the refining plant.

00:26:08 - Chairman Womack asked Dr. Taylor if the processing facilities are under the North Carolina Oil & Gas Commission's purview. Dr. Taylor responded that he believed that they are.

00:27:55 - Mr. Boritz continued, pointing out that the federal requirement for custody transfer differs between oil and natural gas and, given the changes that have taken place between federal administrations, the agency -authority may have changed for production facilities.

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00:37:22 – Chairman Womack asked DEQ staff if anyone in the Department has tried to identify where the federal rule changes since 2016 may have impacted North Carolina’s rules, which may require the Commission do rule-making. Ms. Mundt responded that, to her knowledge, no one has made that attempt. **Michael Abraczinskas, DEQ Director of the Division of Air Quality** offered that there is no regulatory action required on behalf of the Environmental Management Commission because the federal regulations are automatically adopted by reference. Mr. Abraczinskas added that the EMC performed an analysis in 2013-14 which determined that, at the time, the framework was adequate regarding air emissions from this type of activity. Chairman Womack reiterated his intention to visit with DEQ staff regarding the potential reviewing the need for rule-making activity.

00:42:36 – Chairman Womack moved the discussion to the schedule for the Commission’s meetings in 2022, which was distributed to the Commission and DEQ staff members prior to this meeting. Commissioner Lucey made a motion to approve the proposed Oil and Gas Commission meeting schedule. Commissioner Salmon seconded the motion. Chairman Womack asked for any further discussion; hearing no further discussion, a roll-call vote was conducted by Ms. Mundt. All in attendance unanimously approved the schedule.

00:43:42 – Chairman Womack moved the discussion to potential reconstitution of the DEQ oil and gas stakeholder group. Commissioner Salmon asked who was part of the stakeholder group. Chairman Womack answered that DEQ determined who was on the list for the previous Mining and Energy Commission and that that the MEC simply approved the group after -DEQ nominated them. Commissioner Lucey made a motion to create a stakeholder group for Commission advice. Commissioner Baird seconded the motion. The Commission voted unanimously to reconstitute the oil and gas stakeholder group.

00:45:35 – Chairman Womack moved the discussion to reconstituting a rules committee. Chairman Womack expressed his desire for **Vice-Chairman James C. Lister** to head-up this process in time for the next Commission meeting. In addition to Vice-Chairman Lister, Chairman Womack nominated Commissioners Baird and Droz to assist Vice-Chairman Lister on the rules committee. Commissioner Baird asked for Chairman Womack to appoint a fourth commissioner to the committee due to the potential sunseting for his time on the Commission. Chairman Womack said that he would make that appointment but would defer on identifying which commissioner for now.

00:48:40 – Commissioner Lucey left the meeting. **DOJ Assistant Attorney General Shawn Maier** advised that an attempt to regain quorum by contacting Vice-Chairman Lister could be made or the meeting would have to be adjourned. After an unsuccessful attempt to contact Vice-Chairman Lister by phone, Chairman Womack decided the meeting would have to be adjourned.

00:51:23 – After a statement that the Commission would need to pick up unfinished business, Chairman Womack adjourned the meeting.

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