



Regulatory Update

5 Key Takeaways Energy Companies Need to Know

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The Trump administration recently released its regulatory agenda for the upcoming months, which includes rolling back [greenhouse gas emissions](#) (GHG) regulations for power plants, vehicles, and oil and gas infrastructure. The following key takeaways highlight how the new agenda may affect the energy industry:

1. The U.S. Environmental Protection Agency (EPA) [plans to repeal and replace](#) the Obama-era Clean Power Plan (CPP), which was aimed at combating global warming, and freeze Obama-era GHG and fuel economy standards for vehicles. The [proposed CPP replacement](#) is called the Affordable Clean Energy (ACE) Rule and is designed to reduce GHG emissions from existing power plants through heat-rate efficiency and other improvements. Both the ACE Rule and EPA's proposed replacement of the Obama-era rule limiting GHG emissions from new and modified power plants should be finalized this month.
2. The EPA's relaxed methane regulations for new and modified oil and gas infrastructure are set for finalization in September. This is based on three industry petitions seeking reconsideration of the [2016 New Source Performance Standards](#). The EPA also intends to examine whether it is prudent or necessary to regulate methane in the oil and gas industry and finalize any related amendments by December.
3. The EPA is finalizing a [revised rule](#) defining "Waters of the United States" that are subject to regulation under the Clean Water Act and issued a final rule that allows the year-round use of gasoline made with 15% ethanol, fulfilling a Trump mandate.
4. The [U.S. Department of Interior \(DOI\) has finalized rollbacks](#) of Obama-era requirements for blowout preventers and other well controls for offshore drillers. This month, the DOI is set to issue a notice of proposed rulemaking on deregulating actions that could streamline offshore renewable (wind) energy development and/or adopt a controversial legal opinion stating that the [DOI will not criminally prosecute](#) individuals and companies for the accidental injuring or killing of migratory birds. The DOI also plans to revise the 2016 regulations for Arctic drilling, starting with a notice of proposed rulemaking in July.
5. According to the White House's regulatory agenda, safety regulations for pipelines and other oil and gas infrastructure are close to being finalized. The U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) plans

to finalize amendments to [hazardous liquids and gas transmission pipeline safety regulations](#) and an interim rule for underground gas storage safety by July. Over the next few months, PHMSA will also be considering reduced regulations for the construction and operation of gas and liquid pipelines and whether rail tank cars should be permitted to transport liquefied natural gas.

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