



October 7, 2013

Water Docket, U.S.  
Environmental Protection Agency, Mail Code 2822T  
Attn: Docket ID No. EPA-HQ-OW-2010-0824  
1200 Pennsylvania Avenue, NW  
Washington, D.C. 20460

Re: Comments on EPA's Preliminary 2012 Effluent Guidelines Program Plan and 2011 Annual Effluent Guidelines Plan, Docket ID No. EPA-HQ-OW-2010-0824

We respectfully submit the following comments to the Environmental Protection Agency's (EPA) Preliminary 2012 Effluent Guidelines Program Plan and 2011 Annual Effluent Guidelines Plan, and we support EPA in delisting the Coalbed Methane (CBM) Extraction subcategory from the effluent guidelines plan.

Western Energy Alliance represents over 400 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas across the West. Most of our members are independent producers – small businesses with an average of twelve employees. Several members operate in western CBM basins, such as the Powder River, the Raton, and the San Juan basins.

Since 2007, industry has supplied CBM data for various EPA surveys and reviews as referenced in the proposed 2012 Effluent Guidelines Plan. We provided additional data to EPA's Scientific Advisory Board in a May 29, 2013 letter along with several other oil and gas trade organizations. This information demonstrated that the CBM industry has declined since the original surveys conducted by EPA. The *Economic Analysis for Existing and New Projects in the Coalbed Methane Industry* report published by EPA on July 29, 2013 correctly concludes that many CBM projects are no longer economically feasible considering current declines in natural gas prices. The economic review of various water treatment technologies demonstrates that additional technology costs would further reduce feasibility of existing and future projects.

We appreciate that EPA recognizes that CBM production is in decline. The administrative record documents declines in three major CBM producing areas – Black Warrior, Raton, and Powder River Basins. The declines represent both water discharge and drilling. There are more plug and abandon permits issued in the Powder River Basin than permits to drill. There are no rigs operating in the Raton Basin and very few permits have been issued in the Black Warrior Basin.

Finally, a delisting of CBM does not mean the industry will go unregulated. It is important to emphasize that industry effluent handling is currently regulated by states, and EPA's decision to delist CBM will not affect or lessen state regulation. Given the above industry

trends and sufficient state regulation of CBM effluent, we support the delisting of the CBM Extraction subcategory in EPA's Preliminary 2012 Effluent Guidelines Program Plan.

Sincerely,



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