

Federal Update

Presented to the

IOGCC

Council of Oil and Gas Attorneys
Annual Conference

September 23, 2025

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AGENDA

Exceptional Events
Good Neighbor Plan
Greenhouse Gas
PM 2.5 NAAQS
Methane

Exceptional Events

Sierra Club v. EPA, Case Nos. 23-3581, 23-3583 (6th Circuit)

Challenging 88 Fed. Reg. 32,584 and 32,594

EPA Regulatory Agenda

Title: Treatment of Data Influenced by Exceptional Events: Rule Revisions

Abstract: Consistent with the EPA Administrator's regulatory agenda announcement in March 2025, the EPA proposes to revise the Exceptional Events Rule to incorporate certain regulatory and implementation flexibilities as well as prioritize the allowance of prescribed fires. The Exceptional Events Rule implements Clean Air Act section 319(b), which outlines a pathway for air agencies to request the exclusion of air quality monitoring data influenced by exceptional events from certain regulatory actions.

NPRM August 2025

Final Rule December 2025

Good Neighbor Plan

Ohio v. EPA, Case No. 23-1157 (D.C. Circuit)

Challenging 88 Fed. Reg. 36,654 (June 5, 2023)

EPA Regulatory Agenda

September 4, 2025

Interstate Transport Plan Review for the 2015 Ozone NAAQS - Phase 1

NPRM August 2025

Final Rule December 2025

Interstate Transport Plan Review for the 2015 Ozone NAAQS – Phase 2

NPRM October 2025

Final Rule August 2026

The EPA intends to revisit its previous actions finalizing the disapproval or partial disapproval of state implementation plans (SIPs) and finalizing federal implementation plans (FIPs) addressing states' interstate transport obligations under the 2015 ozone national ambient air quality standards (NAAQS). Following numerous challenges to EPA's past transport actions for the 2015 ozone NAAQS, multiple federal courts have stayed EPA's actions as to nearly half of states with disapproved 2015 ozone transport SIPs. Consistent with the EPA Administrator's regulatory agenda announcement in March 2025, this action intends to invoke the principles of cooperative federalism while accomplishing EPA's core mission of protecting the environment.

Greenhouse Gas

West Virginia v. EPA, Case No. 24-1120 (D.C. Circuit)
Challenging 89 Fed. Reg. 39,798 (May 9, 2024)

Principal Issues

1. 90%-capture CCS achievability
2. Grid reliability
3. 40% co-firing achievability
4. Coal plants already regulated under Section 112
5. Coal refuse plants unique factors

Repeal of GHG Standards for EGUs

90 Fed. Reg. 25,752 (June 17, 2025)

In this action, the U.S. Environmental Protection Agency (EPA) is proposing

- to repeal all greenhouse gas (GHG) emissions standards for fossil fuel-fired power plants.
- that the Clean Air Act (CAA) requires it to make a finding that GHG emissions from fossil fuel-fired power plants contribute significantly to dangerous air pollution, as a predicate to regulating GHG emissions from those plants.
- to make a finding that GHG emissions from fossil fuel-fired power plants do not contribute significantly to dangerous air pollution.
- as an alternative, to repeal a narrower set of requirements that includes the emission guidelines for existing fossil fuel-fired steam generating units, the carbon capture and sequestration/storage (CCS)-based standards for coal-fired steam generating units undertaking a large modification, and the CCS-based standards for new base load stationary combustion turbines.

Comment deadline: August 7, 2025

EPA Regulatory Agenda

September 4, 2025

Repeal of Greenhouse Gas Emissions Standards for Fossil Fuel Fired Electric Generating Units

Abstract: In April 2024, EPA issued the Carbon Pollution Standards (CPS), which limited greenhouse gas emissions from new and existing fossil fuel-fired power plants. The CPS directed States to set standards of performance for existing fossil fuel-fired steam generating power plants, and further tightened new source performance standards first issued in 2015. The EPA is revisiting these standards, and this action proposes to repeal all greenhouse gas emissions standards for fossil fuel-fired power plants.

NPRM	June 17, 2025	90 Fed. Reg. 25752
NPRM Comment Period End	August 7, 2025	
Final Rule	December 2025	

Proposed Reconsideration of Endangerment Finding:

90 Fed. Reg. 36,288 (August 1, 2025)

- p. 36,298 The EPA recognizes that we have relied in part on the Endangerment Finding in issuing subsequent endangerment findings and GHG regulations under other CAA provisions, including for certain stationary sources and aircraft engines. The Supreme Court has since vacated several of these actions, including GHG regulations for existing sources in the fossil-fuel fired power plant source category under CAA section 111(d) and for permitted sources under CAA Title V. For those actions that remain in effect, we have initiated or intend to initiate separate rulemakings that will address any overlapping issues.
- p. 36,297 As discussed in section VI.A of this preamble, CAA section 209(a) and other applicable sources of federal preemption would continue to apply, and we would retain our authority to regulate emissions, including emissions of the six “well-mixed” GHGs addressed in the Endangerment Finding, under circumstances that meet the standard for regulation under CAA section 202(a).

Comment deadline: September 22, 2025

EPA Regulatory Agenda

September 4, 2025

Greenhouse Gas Endangerment Finding and Motor Vehicle Emission Standards Reconsideration

Abstract: On March 12, 2025, the EPA announced it is reconsidering the 2024 light-duty, medium-duty, and heavy-duty vehicle regulations that provided the foundation for the Biden-Harris electric vehicle mandate (Car and Truck GHG Rules). EPA also announced it is reconsidering the 2009 Endangerment Finding and regulations and actions that rely on that Finding. This rule proposes to implement these actions.

NPRM

July 2025

Final Rule

September 2025

EPA Regulatory Agenda

Reconsideration of the Greenhouse Gas Reporting Program

This proposed rule will reconsider the “Mandatory Reporting of Greenhouse Gases” (74 FR 56260; October 30, 2009) and all later rules that have amended that rule. These rules comprise the Greenhouse Gas Reporting Program which requires reporting of greenhouse gas (GHG) data and other relevant information from certain large GHG emission sources, fuel and industrial gas suppliers, and CO₂ injection sites in the United States. A total of 46 industrial sectors are required to report under the program, including more than 8,000 facilities. Facilities determine whether they are required to report based on the types of industrial operations, their emission levels, or other factors. Facilities generally have the flexibility to choose among several methods to compute GHG emissions. The decision of which method to use may be influenced by the existing environmental monitoring systems in place and other factors. Facilities can change emission calculation methods from year to year and within the same year, as long as they meet the requirements for use of the method selected.

Proposed rule:	July 2025
Final rule:	November 2025

EPA Regulatory Agenda

Additional Reconsideration of Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review

The Inflation Reduction Act of 2022 added section 136 "Methane Emissions and Waste Reduction Incentive Program" to Title I of the Clean Air Act (CAA). Consistent with the authority and directive set forth in CAA section 136(h), the EPA finalized a rule in May 2024 that amended requirements that apply to the petroleum and natural gas systems source category (Subpart W) of the Greenhouse Gas Reporting Rule. In response to petitions received from the May 2024 subpart W final rule, this action will focus on addressing a number of issues raised in the petitions.

Proposed rule: August 2025

Final rule: December 2025

Other Initiatives

IOGCC Legal and Regulatory Affairs Committee

Model Legislation and Guidance on Geologic Sequestration of Carbon Dioxide: A Guide for States

Environmental Council of States collaboration with the American College of Environmental Lawyers regarding UIC Class VI delegation

PM 2.5 NAAQS

Kentucky v EPA, Case No. 24-1050 (D.C. Circuit)

Challenging 89 Fed. Reg. 16,202 (March 6, 2024)

Spring Unified Agenda (Released 9/4/25)

Under the Clean Air Act Amendments of 1977, EPA is required to review and if appropriate revise the air quality criteria for the primary (health-based) and secondary (welfare-based) national ambient air quality standards (NAAQS) every 5 years. The Administrator is revisiting the 2024 decision on the NAAQS for Particulate Matter.

NPRM 07/00/2025

Final Rule 01/00/2026

Declaration of Aaron Szabo

August 13, 2025

- Plan for Conducting Reconsideration of the Rule
- The declaration in support of the motion states in paragraph 7 that the current deadline for EPA to designate nonattainment areas is February 2026. Paragraph 9 states state that upon further review EPA has decided to proceed with a new notice and comment rulemaking. Paragraph 10 states that the proposed rule will be signed in the Fall of 2025 and the final rule by February 2026.
- Under the challenged rule, EPA and relevant State, Tribal, and local regulators are required by statute to take various implementation steps.
- For example, the EPA must designate areas as attainment, nonattainment, or unclassifiable in February 2026.

Methane Rule

Texas v. EPA, Case No. 24-1054 (D.C. Circuit)
Challenging 89 Fed. Reg. 16,820 (March 8, 2024)

Texas v. EPA

Case No. 24-1054 (D.C. Circuit)

Petitioners Brief

November 25, 2024

EPA Abeyance Motions February 17, 2025/June 9, 2025

Motions granted:

February 11, 2025/June 24, 2025 – 90 status reports

No Stay in effect

Principal Issues

1. 2 year deadline
2. Cost-benefits analysis
3. Monitoring by 3rd parties
4. Zero-emissions standard
5. Definition of modification
6. BSER for marginal well

Zeldin Announcement

(March 12, 2025)

Zeldin announced the agency is reconsidering Biden-Harris regulations for the oil and gas industry under Section 111 of the Clean Air Act and Subpart W of the Greenhouse Gas Reporting Program

Proposed Interim Final Rule

90 Fed. Reg. 35,966 (July 28, 2025)

- EPA issued an interim final rule to extend several compliance deadlines in the 2024 New Source Performance Standards (NSPS) and Emissions Guidelines for oil and natural gas operations – commonly known as OOOOb/c

EPA Regulatory Agenda

Additional Reconsideration of Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review

On March 8, 2024, the EPA finalized new source performance standards (NSPS) regulating greenhouse gases and volatile organic compounds emissions from the Crude Oil and Natural Gas source category pursuant to the Clean Air Act. The EPA also finalized emission guidelines under the Clean Air Act for states to follow in developing, submitting, and implementing state plans to establish performance standards to limit greenhouse gas emissions from existing sources (designated facilities) in the Crude Oil and Natural Gas source category. On March 12, 2025, the EPA Administrator announced the agency will undertake reconsideration of 40 CFR part 60 subparts OOOOb and OOOOc.

Proposed rule: November 2025

Final rule: July 2026

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