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Clean Air Task Force

On behalf of Clean Air Task Force I congratulate and thank EPA – and everyone involved – on taking this incredibly important step to reduce methane emissions from the oil and gas industry. Stationary sources within the oil and gas sector are the leading industrial emitters of anthropogenic methane, a powerful greenhouse gas that, according to the most recent report from the IPCC, on a pound-for-pound basis, impacts the climate 36 times more than carbon dioxide over a 100-year period after it is emitted. The impacts are even larger in the short term: 87 times more powerful over the first 20 years. Not only will the proposed standards reduce methane emissions, they will also reduce smog-forming pollution and toxic air pollutants like benzene and hexane, limiting the public’s exposure to these dangerous pollutants.

The Agency’s proposal represents the first direct and enforceable regulation of methane – and indeed, of greenhouse gases – for the oil and gas sector. This is important and commendable, and is an absolutely critical first step toward achieving President Obama’s goal of reducing methane emissions from this industry to 40-45% below 2012 levels by 2025.

My statement raises three issues – although there is much more I could say, and that CATF will say in detailed written comments. First, the scope of the rule must be expanded to include additional important emissions sources. Second, EPA must change the leak detection and repair (LDAR) requirements to require a frequent and fixed inspection frequency as opposed to the proposal’s preferred variable frequency. Third, while this is an important first step, the Agency must quickly follow it up by taking action under section 111(d) to address methane emissions from existing sources in the sector.

First, EPA must expand the methane standards to apply to methane emissions from liquids unloading operations, intermittent (or snap-acting) pneumatic controllers, compressors at well sites, and storage vessels. None of these sources is currently covered by the current methane proposal, and only storage vessels are covered by the 2012 VOC rule. In order to ensure the most protection to the public from the industry's air emissions EPA should expand the methane proposal to address emissions from each of these sources.

Second, EPA's preferred work practice standard for fugitive emissions from well sites and compressor stations does not go far enough. EPA states that it believes "a facility with proper operation would likely find one to three percent of components to have fugitive emissions." 80 Fed. Reg. at 56,637. Following this line of reasoning, EPA's proposal would allow an owner or operator that finds less than one percent of a facility's equipment to be leaking to decrease the frequency of their LDAR inspections to annually for as long as the proportion of equipment leaking at the facility remains below one percent.

Under the Clean Air Act, EPA's work practice standards must reflect "the best technological system of continuous emission reduction...." EPA's proposed standard for fugitive emissions does not rise to this level. Besides incentivizing an owner or operator to NOT discover leaks, the Agency's preferred work practice standard assumes that there is a relationship between the percentage of pieces of leaking equipment and the actual emissions from the facility. However, data from the City of Fort Worth Natural Gas Air Quality study and from the University of Texas study show that the magnitude of emissions from facilities can be largely independent of the percentage of leaking equipment. In other words, the total fugitive emissions are not tied to the number of pieces of leaking equipment and thus the variable frequency that

would be required by the proposal does not constitute the “best technological system of continuous emission reduction.” Indeed, the best system to reduce emissions from fugitive emissions is to implement a fixed quarterly inspection frequency, at a minimum.

Third, methane new source performance standards trigger mandatory duty for EPA to regulate emissions of that pollutant from existing sources within the oil and gas sector. EPA must now establish emissions guidelines for existing sources within the sector for every non-HAP pollutant for which no NAAQS is promulgated. Because methane is not a HAP and no NAAQS has been issued for methane, EPA must issue guidelines under section 111(d) for this pollutant.

In order to meet the Administration’s goals for reducing methane pollution from this sector, EPA will need to act diligently to address emissions from existing sources with enforceable standards. A recent report by ICF International found that 90 percent of the industry’s emissions in 2018 will come from sources that existed in 2011. This is significant because it means that 90 percent of the emissions come from sources that are not subject to regulation by either the 2012 VOC-based NSPS or the Agency’s methane proposal. EPA must quickly issue emission guidelines addressing methane emissions from the oil and gas sector under 111(d).

Thank you for the opportunity to comment today. EPA has taken a much needed step forward in deciding to directly regulate methane from the oil and gas sector. These issues, and others which my five minutes here don’t allow me to cover, will be discussed in detailed written comments to the Agency on this critically important rule.