

Frequently Asked Questions: Recently Announced Federal Actions to Reduce Methane Emissions from the Oil and Gas Industry

How does the administration propose addressing methane emissions from the oil and gas sector?

Methane is a powerful climate pollutant that has more than 80 times the impact of carbon dioxide within the first twenty years after it is emitted. The oil and gas sector is the nation's largest industrial source of methane pollution, and there are currently no national limits on methane that leaks or vents from oil and gas facilities.

On January 14, 2015, the administration laid out a long-term goal of reducing methane emissions from the oil and gas industry by 40-45% below 2012 levels by 2025. Their announcement outlines specific actions that federal agencies will take to achieve this goal including:

- Setting national emission standards for oil and gas facilities under the Clean Air Act that will, for the first time, directly regulate methane emissions from new sources;
- Issuing guidelines for states that do not comply with the nation's health-based ozone standards to help them address ozone-forming pollution from existing oil and gas facilities.
- Proposing new standards to minimize waste of natural gas produced on federal lands;
- Increasing investments in new technology to reduce methane emissions;
- Pursuing new efforts to increase pipeline safety by reducing methane leaks in the nation's existing natural gas transportation networks; and
- Expanding voluntary programs and partnerships to encourage industry to proactively address methane leaks.

Although further action will be required to achieve the administration's 40-45% goal, these steps represent critical progress towards securing common-sense and cost-effective reductions of this harmful pollutant.

What benefits will these actions have for public health and the environment?

The announced actions will deliver wide-ranging public health and environmental benefits. First, methane has an oversized impact on the warming we will experience in the next few decades. Together with other actions to reduce greenhouse gas emissions, reducing methane pollution is an essential step towards avoiding the worst impacts of climate change on our communities — including increased heat and drought, stronger storms, and sea level rise that put our communities in harm's way.

The announced actions will also reduce other harmful pollution that is emitted along with methane, including smog-forming volatile organic compounds; and hazardous air pollutants like benzene, a known human carcinogen.

What is the regulatory timeline for the announced actions?

The Environmental Protection Agency (EPA) plans to propose a rule that would set methane emission limits for new and modified sources in the oil and gas sector by summer 2015, and finalize those standards by summer 2016.

On the same timeline, EPA plans to propose and finalize guidelines for reducing smog-forming volatile organic compounds from existing oil and natural gas operators in areas that do not comply with the national, health-based ozone standard and for states in the [Ozone Transport Region](#). These guidelines will have the dual benefit of reducing harmful, smog-forming pollutants and methane emissions in key regions of the country.

Additionally, the Bureau of Land Management (BLM) plans to propose standards late spring 2015 that will set limits for new and existing oil and gas operators on federal lands for methane emissions that occur from venting, flaring and leaking equipment. .

The Good News: Steep reductions can be achieved quickly at low cost

Methane and other harmful pollution from the oil and gas sector is an urgent issue, and technology is available right now to reduce this pollution from the oil and gas sector at low cost. In fact, an ICF International study found that it's possible to cost-effectively cut methane emissions from oil and natural gas by 40% from 2011 levels by 2018, through practices and technologies that some leading companies are already applying. There is no reason to wait.

Industry claims emissions have fallen so mandatory methane limits aren't necessary; is this true?

According to the EPA, there are approximately 6,000 oil and gas operators in the U.S. that, combined, leak enough natural gas to heat nearly six million American homes. Recent studies underscore the size of the problem and suggest that current emission estimates are likely very conservative. A recent University of Texas study, for example, found average emissions from thousands of pneumatic controllers throughout the supply chain are 17 percent higher than EPA estimates, and that total emissions could be twice as high as EPA figures due to systematic under-reporting.

While several key states and companies have deployed clean air measures to reduce methane and other pollutants using simple, cost-effective measures, most companies have not adopted these best practices. With EPA projecting that emissions will go up by 25% in the coming decade, federal clean air standards are necessary to reverse this trend, and ensure that proven, common sense policies that provide public health and environmental benefits to all communities become the norm, not the exception.

How will states play a role in shaping EPA rules?

EPA has indicated it intends to seek input from many stakeholders throughout the rulemaking process, including states and industry, and build on the lessons learned by states that have lead the way on modernizing their rules for oil and gas operations. This includes Colorado, which in 2014 became the first state in the nation to directly regulate methane from oil and natural gas, as well as states like Ohio and Wyoming, which have incorporated a range of leading practices into their regulatory frameworks. These and other states have shown that strong standards to protect public health and the environment from air pollution go hand-in-hand with economic growth and job creation.

What does this announcement mean for existing oil and natural gas operations?

EPA's forthcoming standards for new and modified sources are a critical step, but they must be supplemented by further actions including direct regulation of existing oil and gas facilities. Nearly 8 million metric tons of methane emissions were released into the air in 2012 throughout the oil and natural gas industry. The vast majority of these emissions come from long-lived facilities that will continue to operate for many years. For example, ICF International's 2014 analysis of emission reduction opportunities found that by 2018, ninety percent of emissions from the oil and gas sector would come from facilities that were operational before 2011. Therefore, it is vital that EPA and other agencies take action to reduce methane emissions from existing oil and gas infrastructure.

Without additional protections, the announced actions are admirable but insufficient to reach the goal of reducing methane emissions by 45 percent by 2025.

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