

Environmentalists Push Back Against Plan To Weaken Methane NSPS

Inside EPA

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Environmental groups are ramping up warnings of the climate and health damages from oil and gas industry methane emissions, just as the Trump EPA draws closer to issuing a proposal that is expected to seek to rescind an Obama-era policy directly regulating methane emissions from new and modified sources.

The appeals come during meetings with the White House Office of Management & Budget (OMB), with Trump officials meeting with both environmentalists and industry groups before EPA issues its proposal expected to re-examine the broader underlying rationale for methane controls on new and modified facilities.

In related matters, industry is continuing to spar with environmental groups over a separate rule reconsidering several more-detailed aspects of the Obama administration's 2016 methane new source performance standards (NSPS).

A draft final version of this rule has not yet arrived at OMB, though EPA has officially projected it would finalize the measure by September.

But as officials consider the pending broader review of the NSPS, officials have been meeting with a number of groups, including on July 11 with the Environmental Defense Fund (EDF), Clean Air Task Force, Sierra Club and National Parks and Conservation Association.

"We urged EPA to retain the safeguards present in the 2016 rule," says one source familiar with those meetings, referencing leak detection and repair requirements that the Trump EPA is poised to weaken.

Among the topics raised by environmentalists is a study published in July 2018 that found methane emissions are significantly higher than estimated by EPA in its greenhouse gas inventory.

Another source cites a focus on both the climate and public health impacts of oil and gas emissions, as well as a defense of technologies required by the 2016 NSPS as reasonable requirements.

OMB and EPA officials are scheduled to meet with Western Organization of Resource Councils on July 18, according to OMB's website.

Meanwhile, administration officials have already met with BP representatives regarding the pending proposal, and are scheduled to meet with the American Petroleum Institute, and the Independent Petroleum Association of America later this month.

EPA's pending proposal could either scrap or significantly scale back methane controls on new and modified oil and gas facilities, with EPA Administrator Andrew Wheeler recently indicating<<https://insideepa.com/node/220092>> that the agency is considering splitting the oil and gas

industry into subsectors, which could mean that methane emissions from any subsector would not be high enough to trigger significant attribution criteria.

Some have also suggested that EPA might revert to the approach from a 2012 NSPS rule that limited smog-forming pollutants and only captured methane as a co-benefit.

The agency's course of action has relevance for existing facilities because the current direct regulation of methane triggers an obligation to eventually regulate existing facilities under the Clean Air Act.

While specifics of the upcoming proposal remain unavailable, one environmentalist expresses concern that the Trump EPA will try to use the plan to essentially reverse the Obama administration's imposition of emissions controls on the transport and storage sectors. Those were not the focus of the 2012 NSPS that targeted volatile organic compounds from the sector.

The issue of methane controls has split the industry, with larger operators such as Exxon, Shell and BP calling for continued regulation of the potent GHG, while smaller operators resist such rules out of concern that they could make smaller oil and gas wells uneconomic.

EPA's draft proposal arrived at OMB in June, and the raft meetings with OMB have observers preparing for release of the plan in August or September.

Prior Rule

But both industry and environmental groups are also awaiting EPA's final rule that, as proposed, would ease the 2016 methane controls on new oil and gas facilities. The proposal included more lenient monitoring requirements for methane leaks, softening the schedule for repair of leaks and recognizing state methane programs as compatible with federal requirements.

Recent sparring between industry and environmentalists on that regulation include June 17 supplemental comments <https://insideepa.com/sites/insideepa.com/files/documents/2019/jul/epa2019_1224.pdf> filed to the regulatory docket.

The comments offer additional criticism of half a dozen studies or reports that environmentalists cited in their own comments in defense of the need for strong methane limits.

"Each of these items present highly inaccurate and questionable assessments and present them with strident evangelical certainty that vastly overstates their accuracy and value," IPAA states.

The reports include an ICF study regarding onshore methane reduction opportunities, a report by Carbon Limits for Clean Air Task Force on using infrared cameras to detect leaks, and a study backed by EDF discussing the problem of "super emitter" methane sources.

One environmentalist dismissed the comments as repeating "standard talking points" from industry

arguments but was unclear on whether groups would respond with their own rebuttal.