

## Methane Regulatory Coherence and Risks to US Policymaking

### Oil & Natural Gas Industry Shares Objective of Reducing Methane Emissions

API and our members are willing partners in the work of reducing methane emissions from oil and natural gas operations across the value chain. API supports cost-effective and technically feasible direct federal regulation of methane, and timely, accurate, relevant, and transparent measurement and reporting of Greenhouse Gas (GHG) emissions. Operators across the US industry have made commitments to reduce their emissions to or near zero in the coming years. **Workable, effective rules from EPA are crucial to the industry's ability to achieve our shared goal of emissions reduction, meet our international emissions reduction commitments, and accurately demonstrate those reductions.**

### Coordination and Coherence Across Methane Rulemakings is Needed

**Five Rulemakings Across Three Agencies:** Five inter-related methane rulemakings are underway across the Environmental Protection Agency (EPA), Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA), and Department of Interior Bureau of Land Management (BLM):

- (1) EPA NSPS OOOOb & EG OOOOc "Methane Rule",
- (2) EPA Greenhouse Gas Reporting Program (GHGRP) Subpart W,
- (3) EPA Methane Emissions Reductions Program;
- (4) PHMSA Gas Pipeline Leak Detection and Repair; and
- (5) BLM Waste Prevention Rule.

At issue is individual regulatory program offices working independently, absent recognition and management of the crosscutting issues among their respective rulemakings.

**Coordination Within EPA:** The EPA's Office of Air Quality Planning and Standards (OAQPS) developing the Methane Rule and the Office of Atmospheric Protection (OAP) developing the Inflation Reduction Act's mandated revisions to GHGRP Subpart W must coordinate to ensure that:

- (1) Disincentives to using advanced technologies are removed,
- (2) All third-party notification and reporting flows through an EPA-managed Super-Emitter Response Program,
- (3) Subpart W's reporting requirements do not become de facto standards of performance misaligned with the methane rule, and
- (4) Subpart W's methodologies ensure accurate reported emissions.

**Risks to US Policy Making:** Without meaningful coordination within EPA on the Methane Rule and Subpart W, US policy making efforts to achieve and demonstrate methane emissions reductions from the oil and natural gas industry could be compromised:

- (1) EPA's recognized expertise and position within the US and globally as the pre-eminent regulator and emissions data authority would be weakened.
- (2) Inconsistent and/or infeasible requirements could create legal vulnerabilities for the durability and enforceability of the rules.
- (3) Advanced technologies to detect and measure methane emissions could be undermined, which would hamper continued development and limit their emissions reduction potential.
- (4) Inaccurate reporting methodologies would hinder the ability of the US to demonstrate its emissions reduction achievements, which would compromise our ability to meet international commitments such as the Oil and Gas Climate Initiative and Oil and Gas Decarbonization Accelerator.

## Crosscutting Issues

### Alternative Detection Technology/LDAR

- **EPA must:**
  - **Remove disincentives to the use of alt tech (Methane Rule, Subpart W)**
  - **Provide flexibility to deploy fit-for-purpose technologies (Methane Rule)**
  - **Revise detection threshold/survey frequency matrix based on latest data - lowest detection threshold should be 4 kg/hr, not 1 kg/hr as proposed (Methane Rule)**
  - **Allow operators to use alt tech in a workable way for reporting (Subpart W) without disincentivizing using it for LDAR (Methane Rule)**
- **PHMSA must:**
  - **Align detection criteria with EPA (detection in kg/hr, not PPM)**
- **BLM must:**
  - **Defer to EPA LDAR recordkeeping and reporting requirements**

### Third-Party Monitoring

- **EPA must:**
  - **Manage the Super-Emitter Response Program (SERP), consistent with API's framework considerations (Methane Rule)**
  - **Require only third-party notifications of valid events through SERP to be reported to Subpart W (Subpart W)**

### Flares & Pneumatics

- **EPA must:**
  - **Remove overly stringent/burdensome flare monitoring requirements from Subpart W (Subpart W)**
  - **Allow accurate, default emissions factors/populations for pneumatics reporting (Subpart W)**
- **BLM must:**
  - **Align requirements for flares and pneumatics with the EPA Methane Rule**