

January 28, 2016

The Honorable Gina McCarthy Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, DC 20460

Dear Administrator McCarthy:

We applaud the President's leadership in continuing to implement the Climate Action Plan (CAP) which is central to the United States achieving its international commitment to reduce greenhouse gas emissions. The CAP has many important pieces, including reducing emissions of methane—a short-lived but potent climate pollutant. Methane's effect on climate change is up to 34 times greater than that of CO₂ when averaged over a 100-year time period and even greater when considered over the first 20 years after it is emitted. And the current leak at Southern California Gas Company's Aliso Canyon storage facility, which has forced the evacuation of at least 2,300 households and is increasing California's methane emissions by 25 percent, is an unfortunate reminder of how dangerous methane leaks can be.

According to EPA, nearly 30 percent of our methane emissions come from the development of oil and natural gas. To address these emissions and reduce the climate footprint of these industries, the President committed to cut methane emissions by 40-45 percent from 2012 levels by 2025 through both voluntary actions and agency rulemakings. Your agency took the first big step in achieving this goal by proposing updates to the New Source Performance Standard (NSPS) for new and modified oil and natural gas sources of methane and volatile organic compounds (VOCs).

We strongly support many features of the proposed standard for new and modified sources. The proposal would require for the first time the capture of methane and VOC emissions from hydraulically fractured oil wells, a major source of pollution. The proposed rule also contains common-sense standards for important sources of methane emissions from oil and gas facilities and equipment, including pneumatic pumps, pneumatic controllers, and compressors. Another important element of the proposal is the requirement for leak detection and repair (LDAR) at new and modified well production sites and compressor stations.

However, several critical sources of methane emissions were omitted from EPA's proposal, including liquids unloading, pneumatic controllers that operate on an intermittent basis, compressors at well sites, and some storage vessels. These sources are associated with significant methane emissions, and low cost controls exist for all of them. We therefore urge EPA to cover

them in the final rule. Curbing methane emissions will provide significant additional benefits by reducing emissions of VOCs that contribute to soot and smog—a serious air pollution problem that contributes to premature deaths and increased rates of asthma attacks. By damaging the respiratory system, we know that smog harms some of our most vulnerable populations, including children and the elderly. These standards will also reduce emissions of toxic pollutants like benzene that are known or suspected to cause cancer and other serious health effects. We further urge EPA to strengthen LDAR requirements in the final rule by providing for inspections on at least a quarterly basis, and by eliminating provisions that would allow operators to reduce the frequency of LDAR to as little as once per year. These improvements would align EPA's proposal with requirements in leading oil and gas producing states, such as Colorado and Wyoming, and are consistent with the latest research on equipment leaks.

Your agency has been clear that in order to achieve its methane goals, additional action will be necessary. This is backed by studies that have shown that almost 90 percent of projected emissions in 2018 will come from existing oil and natural gas production. In order to achieve our international commitment to reducing greenhouse gas emissions by 26-28 percent below 2005 levels by 2025, we simply must address existing sources of methane emissions.

We therefore ask that you propose 111(d) standards for existing sources under the categories covered by the proposed NSPS, as well as the additional categories listed above. Moving forward with this rulemaking would sustain our international leadership on this issue and put forward a precedent that other countries can follow, much as they have done with our current methane commitment. For example, Alberta's new government brought a set of proposals to Paris that mirror the U.S. pledge of reducing methane emissions from oil and gas systems by 45 percent by 2025. Swift action by the U.S. to regulate existing sources would encourage other countries to follow our lead and continue to drive down methane emissions.

Addressing methane from existing oil and gas sources is one of the most significant steps we can take to reduce our greenhouse gas emissions and bolster the effectiveness of the CAP. The U.S. should continue to be as comprehensive as possible in its regulation of methane and other greenhouse gases as we continue to set an international example. Therefore we also urge EPA to think critically about regulating emissions from petroleum refineries, underground storage facilities, and other parts of the oil and natural gas infrastructure process that produce significant sources of greenhouse gas emissions. We look forward to hearing from you on this important issue.

Sincerely,

BRIAN SCHATZ

U.S. Senator

SHELDON WHITEHOUSE

U.S. Senator

¹ ICF International, "Economic Analysis of Methane Emission Reduction Opportunities in the U.S. Onshore Oil and Natural Gas Industries." March, 2014. Available at: https://www.edf.org/sites/default/files/methane_cost_curve_report.pdf.

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