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By Chris Tomlinson
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Natural gas producers have a choice to make: contribute to the problem of climate change and look greedy or become part of the solution, appear forward-thinking and make more money.

Oil and natural gas lobbyists predictably howled last week when the U.S. Environmental Protection Agency announced new federal limits on emissions of methane, the key component of natural gas. But what the lobbyists will not admit is how much the industry and mineral rights holders could benefit from plugging leaky equipment.

The Obama administration and many environmental groups support using more natural gas because it is plentiful and burns cleaner than other fossil fuels. Some environmentalists, though, argue that the benefits are outweighed by methane leaks during the production and processing of natural gas, because methane is a potent contributor to global warming.

No one doubts natural gas will play a major role in reducing carbon emissions, but how big a role and for how long depends on the industry plugging the leaks. The EPA rules are intended to make natural gas a more effective alternative to coal.

Within hours of the EPA's announcement, though, American Petroleum Institute President Jack Gerard said the rules are "duplicative, costly and undermine America's competitiveness." He said the industry is already addressing the problem and doesn't need additional government oversight.

And Leigh Thompson, environmental policy analyst at the Texas Public Policy Foundation, a conservative think tank, said, "This new regulation is nothing more than a thinly veiled attack on one of the most successful industries in the nation."

The Environmental Science & Technology journal, meanwhile, published a study that day showing that U.S. natural gas facilities leak about 100 billion cubic feet of natural gas a year, eight times more than previous EPA estimates. The study focused on natural gas gathering facilities not monitored by federal officials.

That is \$300 million worth of natural gas, by the way, and is in addition to the \$1.8 billion worth of natural gas that the EPA says is lost each year to leaks and flaring, which is the burning of gas at the well because there is no capacity to capture it.

That \$2 billion could easily buy the equipment necessary to capture methane emissions, and there are 52 companies standing by in Houston that specialize in improving methane capture.

The EPA's proposals are already enforced by state authorities in Colorado and Wyoming, where operators helped negotiate them. The cost of compliance was only 0.4 percent of annual revenues, according to Colorado officials. Mark Boling, general counsel for Southwestern Energy Co., recently said the new measures paid for themselves in 12 to 15 months.

If natural gas executives try to demonize and overturn the EPA's measures, their strategy will appear to be focused only on higher profits at the expense of the environment. If they accept the rules, the sector will appear to be acting in the best interest of both shareholders and the public.

This is an important choice because energy company CEOs routinely complain about the industry's public image. Almost every executive speech I've heard in the last two years has included a passage about how the industry must do a better job of winning public support for the companies whose product makes modern life possible.

"We must emphasize how the energy industry leads," Exxon Mobil CEO Rex Tillerson said at IHS CERAWEEK in April. "It is our sustained efforts that enable a more efficient and safer use of environmental resources."

If U.S. oil companies need a playbook, they need only look to Europe where BP, Total, Eni and Statoil are already implementing this strategy. Ben van Beurden, Royal Dutch Shell's chief executive, called on the industry to encourage the use of natural gas and help slow climate change.

"Stereotypes that fail to see the benefits our industry brings to the world are shortsighted," van Beurden said during a speech in February. "You cannot talk credibly about lowering emissions globally if, for example, you are slow to acknowledge climate change; if you undermine calls for an effective carbon price; and if you always descend into the 'jobs versus environment' argument in the public debate."

Limiting methane emissions will be discussed at a U.N. summit on climate change later this year in Paris. European energy companies are proposing realistic and workable strategies.

Rather than oppose common-sense rules to ensure a level playing field among natural gas producers, the industry can take the lead in offering a climate-friendly fuel and supplying the world with the most reliable, efficient and environmentally safe energy sources in human history.

That's how to guarantee an industry's popularity and its future.

Tomlinson is the Chronicle's business columnist. His commentary appears on Sundays and Wednesdays.