



December 4, 2015

Air and Radiation Docket and Information Center
Environmental Protection Agency
Mail code 28221T
1200 Pennsylvania Ave, NW
Washington, D.C. 20460
Attention: Docket ID No. EPA-HQ-OAR-2010-0505

Administrator McCarthy:

On behalf of the over 200,000 businesses, and more than 325,000 entrepreneurs, executives, managers and investors we represent, the American Sustainable Business Council (ASBC) writes in response to the Environmental Protection Agency's (EPA) proposed revisions to the 2012 New Source Performance Standards (NSPS) for the oil and gas industry.

Our business leaders applaud and support EPA for proposing the first federal regulations to cut methane pollution from new and modified sources in the oil and gas industry. These new standards will help maximize the use of proven, low-cost safeguards to end unnecessary pollution and avoid the worst economic impacts of climate change, including higher health care and energy costs, more frequent severe weather, and supply chain disruptions. Moreover, the technology to prevent methane emissions is widely available and affordable; increasing their use will yield benefits for our economy, our public health, and the country as a whole. Studies estimate that the costs and economic losses due to these climate change related storms will range between \$180 billion to \$44 trillion in the next 25 years.

Methane emissions accelerate the rate of climate change and threaten our economy and our environment. Methane is a highly potent greenhouse gas, up to 85 times more potent than carbon dioxide on a 20-year basis. The oil and natural gas industry, which is responsible for approximately a third of all U.S. methane emissions, has increased production in recent years and the trend is expected to continue in coming years. According to the 2014 Inventory of U.S. Greenhouse Gas Emissions and Sinks, the U.S. oil and gas industry leaks and intentionally releases almost eight million metric tons of methane a year. Therefore, we support the broad application and inclusion of methane standards and emission control requirements to sources already regulated for volatile organic compounds (VOCs) under the 2012 NSPS. We also support other provisions of the revised rule including the extension of standards to additional midstream sources to reduce methane

TEL: 202.595.9302
1401 NEW YORK AVE. NW
SUITE 1225
WASHINGTON DC 20005

ASBCOUNCIL.ORG

emissions at transmission and storage segments and limits on venting gas during oil well completion.

The proposed revision of the 2012 NSPS takes great first strides in reducing methane emissions, but EPA could go further by taking the following steps to strengthen the proposed rule. We encourage EPA to expand the scope of the standards to cover all sources associated with significant methane emissions. These additional sources include additional pieces of equipment and practices like liquids unloading operations, pneumatic controllers that operate on an intermittent or snap-acting basis, compressors at well sites, and storage vessels. Low cost controls exist for all of these sources and, therefore, EPA must cover them in the final rule.

We also encourage EPA to require inspections for leak detection and repair at a fixed frequency of either monthly or quarterly surveys in order to protect communities near the oil and gas infrastructure. The approach proposed in the rule revision allows operators to go too long in between inspections and would allow companies to skip surveys when they report few leaks at the sites. This provision could lead to companies underreporting leaks in order to qualify for fewer surveys, and is likely to allow significant leaks to go unidentified even by companies fully complying with the rules due to the random nature in which leaks arise. EPA could mitigate these problems by setting a standard frequency of inspections for all operators.

Lastly, EPA's final rule should require oil and gas companies to reduce the flaring of gas. Flaring gas is wasteful, and operators have other options such as sending the gas to a sales line or using on-site. Flaring gas should only be permitted in exceptional situations and EPA should require that flares must burn as cleanly as possible.

While the proposed standards are an important first step in reducing methane, EPA needs to also address emissions from existing oil and gas sources. A 2014 study by ICF International projected that despite recent growth in oil and gas production, existing sources will be responsible for nearly 90 percent of methane emissions in 2018. The same low cost and widely available technologies that are the basis for the new source standards can be applied to existing sources, and we urge EPA to do so in order to reach the Administration's methane and overall greenhouse gas reduction goals.

The technologies to reduce methane emissions are widely available and affordable, and implementing them makes common sense for our public health, our economy and the country. Our organizations applaud the EPA for taking this step to limit methane pollution. This commitment will create value in our economy, improve the health of our work force, and ensure that our environment is healthy for future generations.

Sincerely,

Richard Eidlin
Vice President, Policy and Campaigns