

September 28, 2021

Dear Senator,

We write on behalf of our millions of members to express strong support for the fee on methane pollution from the oil and gas sector that is included in the Build Back Better Act proposal from the Energy and Commerce Committee.

The EPA will soon propose enforceable pollution limits to reduce methane emissions from both new and existing oil and gas operations. Forthcoming EPA standards are necessary for achieving deep reductions in methane and for reducing pollution burdens equitably – in *all* communities impacted by oil and gas development. The methane fee can serve as an important compliment to those standards by raising revenues to support important related purposes.

As the nation and world move to accelerate the transition to clean energy resources, it is critical that we facilitate a just and equitable transition for those communities impacted by, and those that have been dependent on, oil and gas activities. We fully support congressional efforts to ameliorate the public health, environmental and economic impacts to communities living with oil and gas operations and provide industry and EPA with the resources to improve the accuracy and transparency of environmental measurement, monitoring, and reporting. We believe a fee on methane pollution from oil and gas facilities is an appropriate way to raise revenues for these purposes. The fee also holds polluters – not the public – accountable for the pollutants they emit.

To maximize revenues available to serve the purpose for which the fee is intended, it is essential that Congress resist efforts by industry lobby groups to weaken provisions in the proposed language and take steps to *strengthen* key elements.

- **The fee should be set no lower than \$60/ton of CO₂e, as proposed in the Sept. 9th legislation.** Setting the fee any lower would allow industry even more so to offload the costs of public health, environmental and other economic impacts of methane pollution on society and would mean less revenue for important public purposes.
- The fee kicks in when emissions exceed pollution thresholds that are consistent with the oil and gas industry's own targets.¹ **It is essential that these pollution thresholds not be weakened.**
- The Greenhouse Gas Reporting Program currently exempts "facilities," as defined in the reporting rule, with less than 25,000 tons of annual emissions of CO₂e from reporting requirements. The proposed methane fee legislation moves in the right direction, directing EPA to lower the reporting threshold to 10,000 tons. For the fee to be effective in raising revenue from all oil and gas operations, **Congress should direct EPA to eliminate the reporting threshold entirely and require all operators to report emissions from all activities.** At a minimum, Congress should make clear that the threshold must be *no greater* than 10,000 tons and that EPA should strive to lower that threshold over time to encompass all sources.
- A critical feature of the methane fee is the requirement for EPA to improve the coverage, accuracy and transparency of methane pollution reporting – including **moving to an empirical,**

¹ [Oil and Gas Climate Initiative](https://onefuture.us/wp-content/uploads/2021/05/ONE-Future-2020-Final-Report-051921-print.pdf), a CEO-led initiative that represents 30% of global oil and gas production has committed to cut methane emissions down to 0.20% by 2025 for production operations. For gathering lines, processing and transmission the threshold is 0.05%. One Future companies report that they are able to reduce methane to 0.03% for gathering lines and 0.012% for processing: <https://onefuture.us/wp-content/uploads/2021/05/ONE-Future-2020-Final-Report-051921-print.pdf>

measurement-based approach to reporting for individual operators along with empirically-based oversight from regulators. This will help account for emissions that are currently underreported by at least 60 percent in the Greenhouse Gas Reporting Program due to emission factors that do not account for all site level emissions, equipment counts that do not capture all sources and the failure to account for “super emitters” among other things.

The proposed fee on methane can serve as an important complement to protective EPA standards by providing resources that will help facilitate more accurate emissions monitoring and measurement and supporting efforts to repair impacts to affected communities. Rigorous, science-based and enforceable pollution limits, coupled with a fee to raise revenue for impacted communities and improving mitigation, will ensure that we can reduce methane from the oil and gas industry at the rate that is needed to immediately slow the rate of growth in global warming and help to protect communities.

We applaud the efforts of Congress to address this important issue.

Sincerely,

Alliance of Nurses for Healthy Environments
Center for Human Rights and Environment
Clean Air Council
Clean Air Task Force
Clean Water Action
Climate Reality Project
Dakota Resource Council
Earthjustice
Earthworks
Environmental Defense Fund
Environmental Law & Policy Center
Interfaith Power & Light
League of Conservation Voters
Moms Clean Air Force
National Parks Conservation Association
National Wildlife Federation
Natural Resources Defense Council
New Mexico Interfaith Power and Light
Partnership for Responsible Business
Rocky Mountain Institute
Sierra Club
The Wilderness Society
Union of Concerned Scientists
Western Environmental Law Center
Western Leaders Network
Western Organization of Resource Councils