

BLM Venting and Flaring Rule Position Paper



June 2017

The Bureau of Land Management's (BLM) venting and flaring rule vastly exceeds the bureau's authority and is redundant with state and Environmental Protection Agency (EPA) regulation. Western Energy Alliance supports the goals of capturing greater quantities of associated gas and reducing waste gas, but a command-and-control approach that is redundant with existing regulation and fails to acknowledge industry success is not the most effective way to meet those goals.

In addition, increased natural gas production has enabled the United States to achieve significant greenhouse gas reductions. According to the [Intergovernmental Panel on Climate Change \(IPCC\)](#), "...the rapid deployment of hydraulic fracturing and horizontal-drilling technologies, which has increased and diversified the gas supply and allowed for a more extensive switching of power and heat production from coal to gas ...is an important reason for a reduction of GHG emissions in the United States." [The Brookings Institution](#) has demonstrated that combined-cycle natural gas turbines cut 2.6 times more greenhouse gas (GHG) emissions than wind and four times more than solar. By imposing more regulations that constrain U.S. natural gas production, regulators are actually working contrary to the President's overall climate change goals.

Industry is Already Reducing Emissions Through Voluntary Action

- The oil and natural gas industry has delivered significant GHG reductions through voluntary means. Methane emissions from oil and natural gas production have [declined by 19%](#) since 1990 without federal regulation, even as natural gas production has [increased](#) by 52%. The industry is no longer the largest source of U.S. anthropogenic methane emissions.
- The simultaneous increase in natural gas production and decrease in methane emissions is thanks to a plummeting leak rate. [EPA estimates](#) system-wide natural gas leakage rates at 1.1%. [Two recent studies](#) by the Environmental Defense Fund (EDF) and the University of Texas find that methane emissions from natural gas production sites are between 0.38% and 0.42% of production.
- According to [EPA's greenhouse gas inventory](#), oil and natural gas systems account for only 3.4% of U.S. GHG emissions, about ten times less than the largest source, power plants. Methane accounts for just 9% of U.S. GHG emissions.
- Industry has been continuously innovating and developing new technologies to reduce emissions. This success along with the market incentive to capture and sell as much natural gas as possible will continue without new rules from BLM.

BLM is Itself an Obstacle to Methane Capture

- BLM continues to inhibit natural gas production with slow permitting, a virtual standstill to new projects, and ever increasing restrictions on development. By constraining natural gas

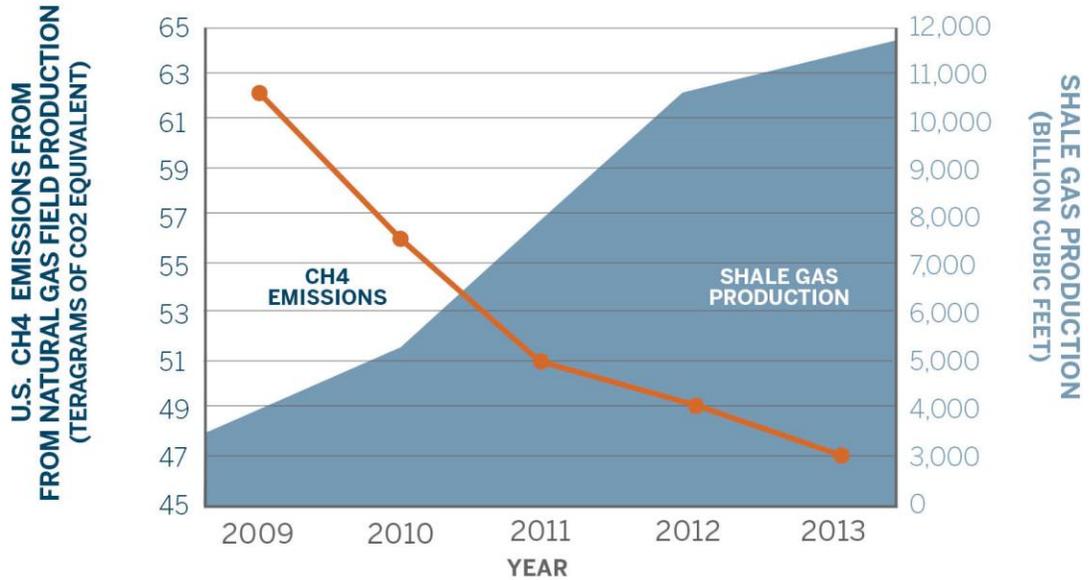
production from federal lands, regulation and bureaucratic delay are counterproductive to the President's overall climate change goals.

- BLM is itself a cause of higher levels of flaring and venting on federal and Indian lands because of delays in approving Rights of Way (ROW) for gas gathering lines.
- BLM could quickly and easily reduce flaring by simply processing ROWs in a timely manner rather than embarking on a time-consuming new regulatory process that will take two years or more.
- Even when gathering infrastructure is in place, some flaring and venting may be unavoidable due to quality, plant processing capacity, maintenance and other factors.

BLM Regulations Would be Redundant and Conflict with Existing Rules

- EPA's New Source Performance Standards (NSPS) for oil and natural gas facilities already require further reductions in methane emissions, and EPA is updating NSPS Subpart OOOO to further reduce methane emissions this year. Operators must also comply with these rules on public lands, and there is considerable risk of conflicting and duplicative regulation if BLM adds its own requirements.
- BLM lacks statutory authority for the creation of an air quality regulatory program. The authority resides with EPA and the states. A BLM venting and flaring rule would potentially create duplicative and conflicting regulation.
- BLM bases much of its authority for the update on waste reduction and conservation of produced gas on NTL-4A regarding Royalty or Compensation for Oil and Gas Lost. By falling under existing jurisdiction, NTL-4A is a more appropriate basis for any rulemaking than attempting to duplicate EPA methane capture regulations or Colorado's Leak Detection and Repair (LDAR) program.
- Colorado's LDAR program is a costly and inefficient way to reduce methane emissions, and should not be used as a national model, particularly by BLM which lacks authority.
- BLM outreach presentations on the upcoming rule discussed best available control technology (BACT), which has a specific definition in the Clean Air Act. BLM does not have the authority to require BACT and regulate emissions for public health and environment, which is the jurisdiction of EPA and the states.

Methane Emissions Plummet as Natural Gas Production Soars

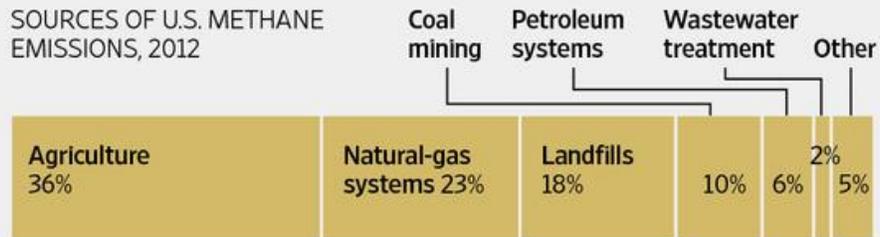


SOURCE: Energy Information Administration and Environmental Protection Agency Greenhouse Gas Inventory

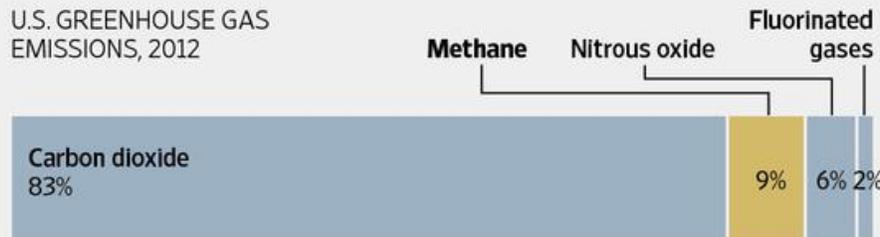
Emissions Count

The Obama administration unveiled plans Friday to address methane-gas emissions from key sources as part of its strategy on climate change.

SOURCES OF U.S. METHANE EMISSIONS, 2012



U.S. GREENHOUSE GAS EMISSIONS, 2012



Source: Environmental Protection Agency