EPA plan targets rules on methane gas leaks

Proposal takes aim at Obama’s legacy on climate change

The Trump administration proposes rolling back Obama-era rules on methane pollution from oil and gas wells. (Charles Rex Arbogast/AP 2014)

By Jennifer A. Dlouhy  Bloomberg News

The Trump administration on Tuesday proposed relaxing Obama-era mandates meant to block rogue methane leaks from oil and gas wells, part of a broader assault on federal regulations designed to combat climate change.

The Environmental Protection Agency proposal takes aim at requirements forcing energy companies to find and stop methane leaks at new and newly modified oil and gas wells, amid industry concerns the mandates are unnecessary and too expensive.

The proposal would lessen the frequency of required inspections to hunt for methane leaks, remove a requirement that professional engineers certify some equipment
designs and make it easier for energy companies to deploy emerging technologies to monitor emissions.

The EPA said its changes would save an estimated $484 million in regulatory costs from 2019 to 2025 — or $75 million annually.

“These commonsense reforms will alleviate unnecessary and duplicative red tape and give the energy sector the regulatory certainty it needs to continue providing affordable and reliable energy to the American people,” EPA Acting Administrator Andrew Wheeler said in a statement. “Removing these excessive regulatory burdens will generate roughly $484 million in cost savings and support increased domestic energy production.”

The proposal will now be subject to a public comment period, paving the way for final changes next year. The effort dovetails with a separate Interior Department move to ease Obama administration mandates requiring energy companies keep a better lid on natural gas escaping from wells on public land.

Both efforts are part of a broader assault by President Donald Trump on former President Barack Obama’s climate legacy. Obama built a three-part strategy for combating climate change, with regulations capping greenhouse gas emissions from power plants, automobiles and oil wells.

Trump’s EPA already proposed relaxing carbon dioxide limits for two of those targets in August: power plants and vehicles. Now, with methane, the Trump administration is taking aim at the third and final piece of Obama’s 2013 climate action plan.

The oil and gas industry is the leading source of methane, an intense but short-lived greenhouse gas shown to warm the atmosphere 84 times more than carbon dioxide when measured over two decades. That potency increases when measured over a century; methane is estimated to be 25 times more powerful at warming the atmosphere over that 100-year timeline.

Under the EPA’s proposal, energy companies would generally have to search for leaks at oil and gas wells annually, instead of twice a year as required under the 2016 rule. Very low-producing sites — known as “marginal” wells — would have to be inspected once every two years. The requirements would disappear when major production and processing equipment is removed from any site.

Oil industry leaders have said federal regulations are unnecessary in light of ongoing work to keep methane from escaping. Because methane is the primary ingredient in natural gas, energy companies have a financial incentive to keep it bottled up as it moves from the wellhead to compressor stations and into storage tanks.

“Methane emissions from the oil and natural gas industry are already down 14 percent since 1990 while production has increased by 50 percent, said Howard Feldman, senior director of regulatory and scientific affairs at the American Petroleum Institute. “We welcome EPA’s efforts to get this right and the proposed
changes could ensure that the rule is based on best engineering practices and cost-effective.”

Federal mandates provide incentive for companies to spend money capturing methane emissions when the investments won’t swiftly pay off, environmentalists say.