### **2024 Global Methane Forum**

**Mobilizing Methane Action** 

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# Governments as Vital Drivers to Mobilize Methane Action in the Oil & Gas Sector

**Justin Pryor** 

**United States** 

**Environmental Protection Agency** 









## U.S. EPA Clean Air Act Regulations: New Source Performance Standards / Emissions Guidelines

- The Inventory of the U.S. Greenhouse Gas Emissions and Sinks indicates that natural gas and petroleum systems are the largest industrial source of methane emissions in the U.S.
- In December 2023, EPA issued a <u>Final</u>
   <u>Rule</u> to reduce methane and other
   harmful air pollution from both new and
   existing oil and natural gas operations.
- The rule will sharply cut emissions from 2024-2038 by 58 million tons of methane, nearly 80 percent lower than without the rule, and avoid 16 million tons of smog-forming VOC emissions & 590,000 tons of air toxics; equivalent to over 200 million homes' energy use for one year.

#### **Rule Highlights:**

- Recognizes and encourages innovation in methane detection technology
- Includes a program to leverage third-party expertise to find large emissions ("super emitters")
- Ensures that all well sites, centralized production facilities, and compressor stations are routinely monitored for leaks
- Eliminates routine flaring of natural gas from new oil wells after a two-year phase-in & reduces flaring of natural gas from existing wells
- Requires use of best management practices to minimize or eliminate venting of emissions from gas well liquids unloading

## **Inflation Reduction Act of 2022: Methane Emissions Reductions Program**

https://www.epa.gov/inflation-reductionact/methane-emissions-reduction-program



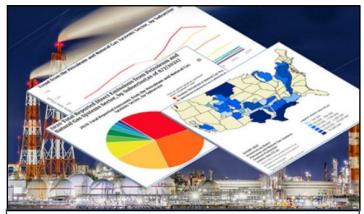
### **Financial and Technical Assistance**

EPA is partnering with the U.S. Dept of Energy to provide more than \$1B to accelerate the transition to no- and low- emitting technologies, activities associated with low-producing conventional wells, support for methane monitoring, and funding to help reduce methane emissions from oil and gas operations.



#### **Waste Emissions Charge**

An annual charge on wasteful methane emissions from oil and gas facilities that exceed specified thresholds, set by Congress, from an owner or operator of an applicable oil and gas facility. The charge starts at \$900 per metric ton of wasteful emissions in 2024, increasing to \$1,200 for 2025, and \$1,500 for 2026 and beyond.



## Greenhouse Gas Reporting Program Subpart W Revisions

Revisions to the Petroleum and Natural Gas Systems category of the GHGRP to improve data accuracy, increase the use of empirical data, and collect data at a more granular level to improve verification and transparency of the data collected.

### Other U.S. Actions on Oil and Gas Methane Mitigation

- Pipeline and Hazardous Materials Safety Administration
  - Under the Protecting our Infrastructure of Pipelines and Enhancing Safety Act
    of 2020, proposed rule to reduce methane emissions from new and existing
    gas transmission, distribution, and regulated gas gathering pipelines,
    underground natural gas storage facilities, and liquefied natural gas facilities.
- Department of the Interior
  - The Bipartisan Infrastructure Law of 2021 allocated \$4.7B to DOI to manage an <u>orphan well plugging program</u> for states, tribes, and federal agencies.
- Department of Energy
  - Collaboration with U.S. EPA on <u>Methane Emissions Reductions Program</u> actions; formation of a GHG Supply Chain Emissions Measurement, Monitoring, Reporting, and Verification (MMRV) Framework Working Group.

### Thank you!

**Justin Pryor** 

U.S. Delegate, Oil and Gas Subcommittee

U.S. Environmental Protection Agency

Email: Pryor.Justin@epa.gov

www.globalmethane.org

