

Client Alert

Energy & Environmental Practice

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EPA Outlines Plan for Direct Regulation of Methane Emissions

This morning, the U.S. Environmental Protection Agency announced its anticipated strategy to reduce U.S. emissions of methane from the oil and gas industry. The Agency aims to achieve a 40 to 45 percent cut from 2012 levels in the next 10 years.

Key points of the plan:

- **New and modified sources only (for now)** – The plan focuses on voluntary measures for existing oil and gas sources to reduce methane emissions and will directly regulate only “new or modified” sources. However, the activity in the oil and gas sector suggests that “new” sources may be a substantial group. The key question is just how broad a net the rule’s definition of “modified” will cast.
- **Direct regulation of methane emissions** – The plan expands the oil and gas emissions rule for volatile organic compounds issued in 2012 and targets methane emissions at well sites, gathering systems, and gas processing plants.
- **Rules from BLM and PHMSA to follow** – The EPA rule addresses individual facilities – well sites, processing operations, and others. The strategy also includes upcoming rules from the Bureau of Land Management for activities on public land and the Pipeline and Hazardous Materials Safety Administration for emissions from pipelines.
- **Other points of note** – The strategy also includes plans for updates to greenhouse gas reporting requirements, consideration of an enhanced monitoring rule, and energy efficiency standards for natural gas compressors.

EPA expects to issue the detailed proposed rule this summer and finalize it in 2016.

FACT SHEET: www.whitehouse.gov/the-press-office/2014/03/28/fact-sheet-climate-action-plan-strategy-cut-methane-emissions

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