



**Public Hearing Statement on Proposed Amendments to NSPS OOOOa  
November 14, 2018**

**Good morning.** My name is Matthew Todd and I am a Senior Policy Advisor at the American Petroleum Institute. API is the only national trade association representing all facets of the oil and natural gas industry, which supports 10.3 million U.S. jobs and nearly 8 percent of the U.S. economy. API's 620 members include large integrated companies, as well as exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms. They provide most of the nation's energy and are backed by a growing grassroots movement of more than 40 million Americans. Many of our members are directly impacted by the regulations underlying today's hearing and I would like to communicate three important messages to the agency this morning.

- **First, the protection and safety of our workers and the communities in which we operate is the top priority for our member companies. We are committed to identifying sound regulatory policies that lead to cost-effective solutions that provide environmental benefits.**
- **Second, the emission trends for the oil and gas production sector are positive. Emissions have continued to decline over a period that oil and natural gas production has increased significantly.**

- **Finally, the proposed rule is a missed opportunity to promote the development and use of new detection technologies, reduce burden of overlapping regulatory requirements that have little environmental benefit, and make sensible revisions based on real world field data.**

Throughout the development of the 2012 oil and gas NSPS rule and its amendments in 2016, API has maintained a constructive working relationship with EPA staff to provide operational and emissions data to inform the developments of these important rules. During this time, our objective has remained the identification of cost-effective emission control requirements that reduce VOC emissions for new and modified sources and, as a co-benefit, also reduce methane. This approach, when combined with the leadership the industry has demonstrated to voluntarily reduce emissions from existing sources, has already proven effective. Our industry has led the way in its pursuit of improved operations and keeping our product in the pipe, and the industry is incentivized to safely recover and capture methane as it is the primary component of natural gas.

Even as US oil and natural gas production has surged, methane emissions have declined significantly. For example, methane emissions from the natural gas



industry have fallen 16 percent even as production increased by 50 percent since 1990. Methane emissions from hydraulically-fractured natural gas well completions have fallen more than 85 percent since 1990 and the increased use of natural gas to fuel the power sector has played the most significant role in achieving 30-year lows in carbon dioxide emissions from power generation that we see today. These trends are indicative of what our industry, when given the freedom to innovate, can achieve to improve the environment while protecting our nation's energy security. We fully expect that progress will continue.

Unfortunately, the proposed rule includes several missed opportunities. There are significant capital investments and scientific studies underway to advance the development and use of new emission detection technologies. The agency's insistence on requiring site-specific approval for each new technology will only stifle this positive development. We hope the EPA significantly streamlines this process in the final rule. The rule also fails to reduce the burden of overlapping regulatory requirements that have no environmental benefit. While the agency agrees that many state leak detection and repair programs are equally effective, significant and duplicative recordkeeping and reporting remains. This is just regulatory burden without environmental benefits and we encourage the agency



to recognize that and improve this requirement in the final rule. We also encourage the EPA to recognize the value of the field data measurements that have been shared with the agency. API collected data during normal operations that demonstrate much lower incidence of leaks when compared to the EPA estimates in the rule. Real world leak survey findings from over 4000 well sites and representing more than 2 million components should be valuable to the agency and considered in its final rulemaking. API will submit comments in support of these recommendations.

To close, API and its members recognize the importance of developing oil and gas resources responsibly. However, duplicative and costly regulations with little or no environmental benefit could increase the cost of energy for Americans, undermine our competitiveness, and hinder our ability to provide the energy our nation will continue to demand for many years to come. The combined technologies of hydraulic fracturing and horizontal drilling have elevated the United States to global prominence as an energy superpower. Because of the advanced application of these technologies, the United States is now the world's largest producer of oil and natural gas while, at the same time, emissions from the industry continue to decline. This positive trend will continue as many



companies engage in multiple voluntary programs and individual efforts to further reduce emissions from oil and gas production. Industry's commitment to reduce emissions is exemplified by The Environmental Partnership, a program that has brought more than 50 of the nation's oil and gas producers together – both large and small and operating across the entire nation -- to take concrete actions to reduce emissions. This energy revolution has helped to energize the U.S. economy by driving domestic investment in energy projects, creating jobs, and enhancing U.S. energy and national security interests. We encourage the agency to consider these positive trends and the important benefits this industry provides as you consider comments on the proposed rule.

Thank you.