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EPA completes rollback of Obama methane rule

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Methane flaring from an oil and gas operation. Interior Department

In a long-delayed move, EPA Administrator Andrew Wheeler today announced a rollback of Obama-era rules for oil and gas industry emissions of methane, a powerful greenhouse gas.

"EPA has been working hard to fulfill President Trump's promise to cut burdensome and ineffective regulations for our domestic energy industry," said Wheeler. "Today's regulatory changes remove redundant paperwork, align with the Clean Air Act and allow companies the flexibility to satisfy leak control requirements by complying with equivalent state rules."

The pair of <u>rulemakings</u> announced today in Pittsburgh would replace Obama-era standards for new petroleum infrastructure with looser rules on monitoring and repairs to prevent leaks. The rulemakings also scrap direct federal methane restrictions for the sector for a rule that targets volatile organic compounds, or VOCs, a precursor to smog.

Methane can be captured as a byproduct of addressing VOCs during production and processing of oil and natural gas. But, by targeting VOCs, EPA limits the scope of the rule to those segments of the supply chain, effectively deregulating storage and transmission because they emit methane but little VOCs.

It also allows the Trump administration to argue that a rule for existing sources of methane in the oil and gas sector will not be warranted, because the Clean Air Act demands that new sources be regulated first.

The rulemakings mark the last major Trump rollback of an Obama-era EPA climate rule.

But by finalizing the rule in the second half of 2020, EPA opens to door for a relatively easy reversal if President Trump does not win reelection later this year. The rules will likely still be under court review next year, and a potential Joe Biden administration could request that they be sent back to EPA for review.

And in a move environmentalists promised would be litigated, the rule sets up a new hurdle for future EPA efforts to limit new pollutants from new source categories by demanding the agency undergo a special "significant contribution" finding first.

A senior EPA official told reporters this afternoon that the agency planned to clarify in the near future what it would need to demonstrate before it could reach that finding — a step that, while never required before, she said the Obama administration had erred in not satisfying before expanding the leakage rule in 2016.

"This [is] one of many steps in terms of correcting the transgressions of the past, maintaining legitimate protections that comport with technical reality and Clean Air Act requirements," said the official.