Redacted - First Amendment

Best regards,

Erik

Erik G. Milito Vice President, Upstream & Industry Operations American Petroleum Institute





This transmission contains information that is privileged and confidential and is intended solely for use of the individual(s) listed above. If you received the communication in error, please notify me immediately. Any dissemination or copying of this communication by anyone other than the individual(s) listed above is prohibited.

From: Matthew Todd Dapi.org> Sent: Thursday, August 29, 2019 11:21 AM To: 'Clean Air Issue Group' < Subject: CAIG: EPA NSPS OOOOa Policy Rule Released Importance: High

Redacted - First Amendment

Thanks

Matt



FOR IMMEDIATE RELEASE

@api.org | @

API: Industry Leadership Combined with Smart Regulations Will Continue to Drive Methane Emissions Reductions

WASHINGTON, August 29, 2019 – The American Petroleum Institute (API) issued the following statement in response to the Environmental Protection Agency's (EPA) release of draft revisions to its New Source Performance Standards for the oil and gas sector.

"The oil and natural gas <u>industry is laser-focused</u> on cutting methane emissions through industry initiatives, smart regulations, new technologies, and best practices," said API's Vice President of Upstream and Industry Operations Erik Milito. "We welcome smart regulations that protect public health and the environment, and provide the flexibility to develop and deliver affordable and reliable American energy.

"We support EPA's efforts to adhere to its statutory obligations under the Clean Air Act. Under this proposal, the oil and natural gas sector will continue to be effectively regulated. The regulation of volatile organic compounds drives down methane emissions and allows for innovation and technological advancements that help environmental performance and strengthen industry's actions to reduce emissions."

By 2023, nearly 90% of all U.S. natural gas and oil production will be regulated under EPA's New Source Performance Standard, jumping to 98% by 2033.

U.S. methane emissions are down even as Americans produce more affordable, reliable, and cleaner natural gas. In the Permian Basin, production surged 100 percent from 2011 to 2017, but methane emissions relative to production fell nearly 40 percent. Industry initiatives, including efforts like <u>The</u> <u>Environmental Partnership</u>, underscore the industry's commitment to leveraging new technologies and innovative practices that reduce emissions and establish clear pathways for continuous environmental improvement.

API is the only national trade association representing all facets of the natural gas and oil industry, which supports 10.3 million U.S. jobs and nearly 8 percent of the U.S. economy. API's more than 600 members include large integrated companies, as well as exploration and production, refining, marketing, pipeline, 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 47 million Americans. API was formed in 1919 as a standards-setting organization. In its first 100 years, API has developed more than 700 standards to enhance operational and environmental safety, efficiency and sustainability.

POLICY ON FEDERAL REGULATION OF METHANE

• API supports cost-effective regulation of new and modified sources within EPA's New Source Performance Standards

(NSPS OOOO and OOOOa) to reduce VOC emissions, which has the co-benefit of also reducing methane emissions.

- This is consistent with the approach taken by EPA in its finalization of its original OOOO rule in 2012.
- API will work closely with the EPA to ensure any future regulation uses science-based data and is appropriately fit-forpurpose and guard against any unintended consequences that could occur.

• API will continue its current legal action to challenge the flawed processes EPA used to regulate methane as a pollutant under the Clean Air Act in 2016 (note: When it included methane as a regulated pollutant for the New Source Performance Standards for the Oil and Gas Sector (NSPS OOOOa) in 2016, EPA failed to make the requisite "significant contribution finding" as required by the Clean Air Act. For this reason, API supports the removal of methane as a pollutant from the NSPS OOOOa regulations).

Matthew Todd

Senior Policy Advisor Regulatory and Scientific Affairs API

@api.org

