



June 24, 2022

The Honorable Kathy Castor
Chairwoman
Select Committee on
the Climate Crisis
US House of Representatives
H2-359 Ford House Office Building
Washington, DC 20515

The Honorable Garret Graves
Ranking Member
Select Committee on
the Climate Crisis
US House of Representatives
H2-359 Ford House Office Building
Washington, DC 20515

Dear Chairwoman Castor and Ranking Member Graves,

The American Exploration and Production Councilⁱ (AXPC), a national trade association representing large independent oil and natural gas exploration and production companies in the United States, would like to offer our perspective as part of the record for the House Select Committee on the Climate Crisis' hearing, "Cutting Methane Pollution: Safeguarding Public Health, Creating Jobs, and Protecting our Climate."ⁱⁱ

The member companies of AXPC are providing affordable, reliable energy to Americans and the world and are committed to environmentally responsible and safe operations. We are proud of our role in helping author the American Shale Revolution, which has unlocked vast reserves of American natural gas, helping our nation reduce carbon dioxide emissions in the power generation sector by 32 percent since 2005.ⁱⁱⁱ

Because methane is the primary constituent of natural gas, capturing methane is important to industry from an environmental and business standpoint. AXPC was the first national trade to support the federal regulation of methane,^{iv} and wants to work collaboratively with the administration and Congress to achieve meaningful action to address climate change, including on the critical issue of methane.

Due to industry leadership and investment in new technologies, methane emissions from petroleum and natural gas systems fell from 1990-2019, even as production increased dramatically.^v

Notably, AXPC member companies are members of The Environmental Partnership (The Partnership or TEP) – a collaboration of oil and natural gas companies working to continuously improve the industry's environmental performance by "taking action, learning about best practices and technologies, and fostering collaboration to responsibly develop our nation's essential oil and natural gas resources."^{vi}

Flexibility to Allow for Emerging Technologies

Consistent with our Climate Policy and Principles^{vii}, AXPC believes federal methane policy should:

- Encourage innovation and flexibility, instead of overly prescriptive regulations that hinder the goal of reducing methane emissions;
- Allow and incentivize the development and deployment of technologies to monitor and mitigate methane emissions for compliance purposes;
- Appropriately quantify and assess the feasibility, costs and benefits of implementing new requirements for existing facilities;
- Avoid creating duplicative and overlapping regulatory regimes at the federal and state levels; and
- Properly interpret and follow the relevant provisions of the Clean Air Act.

Our industry necessarily prioritizes compliance first and foremost, but unfortunately regulations today do not allow for use of emerging methane detection technologies to meet compliance requirements – which impedes broad-scale deployment. Still, because of the importance of this issue, our companies have not stopped at minimum compliance, but instead invested heavily in the evaluation, testing, development, and early utilization of more advanced technologies for leak detection and leak quantification. While driving these innovations forward, industry has similarly, reasonably prioritized finding and fixing leaks over measuring them, until such time as the development of field-reliable quantification technologies could be realized.

Industry has spent nearly a decade – from an initial posture of envisioning possibilities to having realized many of them today – advocating for EPA regulations to provide greater flexibility to allow the use of emerging technologies that could find bigger leaks faster compared to the site-by-site on the ground surveys required today.

The industry has long promoted technology and innovation as the best near-term pathway for significant emission reduction and AXPC member companies have invested significant time and resources in improving capabilities and practices for leak detection, repairs, and eventual quantification. As recent as the comments submitted this year for EPA’s November 2021 Methane proposal, we have pushed for the ability to use those technological advancements to meet compliance requirements and to be able to prioritize finding the larger leaks for greater efficiency in methane reduction.^{viii}

Leak Detection and Repair and Emissions Measurements

Methane Leak Detection and Repair (LDAR) technologies are rapidly evolving, but there are still challenges to using current LDAR technologies to quantify methane from a particular area, especially in field applications. Though capabilities are advancing, these measurement technologies still have wide margins for error, are largely still in pilot phases.

It has only been through partnership with industry, and largely funded by industry, that these technologies have been developed and continue to improve. The industry is committed to progressing these technologies so that they can someday quantify emission leak rates in the field in a way that could be reliable enough to be used more broadly across the industry.

While our industry recognizes how useful quantification measurements might be in LDAR, the development of that technology will take time, particularly as it moves from the laboratory to field applications. The technology must also yield results that are fully auditable, adding to the complexity of field applications.

In the meantime, using all the data we have to address emissions on a daily basis we have not found the lack of precise quantification a hinderance to finding leaks of any size. Additionally, trending data provided by engineering emission-factor based inventories, such as the EPA's Greenhouse Gas Reporting Program, have been a powerful tool to understand some of the greatest emission reduction opportunities in the sector and are still the most comparable inventories available today.

Best Practices

AXPC member companies often go above and beyond what is required for regulatory compliance and are working to ensure the forthcoming EPA methane rule incentivizes and allows for new and emerging technologies to meaningfully reduce emissions.

Similarly, companies develop and share best practices and technologies to continuously reduce emissions through voluntary coalitions such as TEP. In 2020, The Partnership collaborated with technology companies to advance the development and implementation of new methane detection technologies through substantive engagement with Colorado State University, Bridger Photonics, and NASA's Jet Propulsion Laboratory Methane Source Finder team.

Even outside of TEP, companies are actively collaborating on approaches and best practices that can help reduce emissions faster. For example, AXPC has hosted its own "technology forum" to share learnings for piloted technologies that allow us to find large leaks across a basin more efficiently. AXPC also conducts annual peer benchmarking surveys, including data such as emissions and trends, to help member companies continuously improve their operational performance.

Summary

AXPC member companies are committed to providing affordable, reliable energy to America and the world, while continuing to meaningfully reduce emissions. We want to work collaboratively with the administration and Congress to address the critical issue of methane. We believe it is important that legislative and regulatory policy embraces the domestic energy industry, providing needed flexibility to encourage innovation, and enables meaningful solutions to achieve the dual goals of climate progress and providing energy security and prosperity to the American people.

Thank you for your consideration of this important issue.

Sincerely,



Anne Bradbury

CEO

American Exploration and Production Council

ⁱ <https://www.axpc.org/who-we-are/>

ⁱⁱ <https://climatecrisis.house.gov/committee-activity/hearings/cutting-methane-pollution-safeguarding-health-creating-jobs-and-0>

ⁱⁱⁱ <https://www.eia.gov/todayinenergy/detail.php?id=48296>

^{iv} <https://www.houstonchronicle.com/opinion/outlook/article/Opinion-America-s-independent-oil-and-gas-15865139.php>

^v <https://www.api.org/~media/Files/Policy/Environment/TEP/2021/The-Environmental-Partnership-2021-Annual-Report.pdf>

^{vi} <https://www.api.org/~media/Files/Policy/Environment/TEP/2021/The-Environmental-Partnership-2021-Annual-Report.pdf>

^{vii} <https://www.axpc.org/working-responsibly/climateprinciples/>

^{viii} <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-0831>