



Natural Gas STAR Methane Challenge Program

Best Management Practice (BMP) Commitment Framework

Program Purpose

The Natural Gas STAR Methane Challenge Program Best Management Practice (BMP) Commitment is intended to spur near-term, widespread implementation of methane mitigation activities across the oil and natural gas value chain.

Program Scope

The Methane Challenge Program BMP Commitment includes the following emission sources, grouped according to the appropriate industry segments:

Onshore Production	Gathering and Boosting	Natural Gas Processing	Transmission and Storage	Distribution
Pneumatic Controllers	Pneumatic Controllers	Reciprocating Compressors - Rod Packing Vent	Reciprocating Compressors - Rod Packing Vent	Mains – Cast Iron and Unprotected Steel
Fixed Roof, Atmospheric Pressure Hydrocarbon Liquid Storage Tanks	Fixed Roof, Atmospheric Pressure Hydrocarbon Liquid Storage Tanks	Centrifugal Compressors - Venting	Centrifugal Compressors - Venting	Services – Cast Iron and Unprotected Steel
	Reciprocating Compressors - Rod Packing Vent		Equipment Leaks (Compressor Blowdown and Isolation Valves)	Distribution Pipeline Blowdowns
	Centrifugal Compressors - Venting		Transmission Pipeline Blowdowns between Compressor Stations	Excavation Damages
			Pneumatic Controllers	Renewable Natural Gas

Program Commitments

For each emission source included in the Program, EPA has specified one or more BMPs to reduce methane emissions from that source. Partner companies join the Program through a commitment to address one or more emission sources by implementing one or more of the specified BMPs across their operations by a future date.



Timeframe for Meeting Commitments

Upon becoming a Methane Challenge Partner, companies will designate their commitment start date, which must be within six (6) months of joining the Program. Partners will also establish the timeframe for achieving company-wide implementation of the BMPs, not to exceed five (5) years from the commitment start date. The EPA encourages companies to complete commitments in a shorter timeframe when appropriate.

Partner Commitment Levels

Partners may join the Program at the appropriate company level depending upon the industry segment. EPA encourages Partners to make the broadest possible commitments, ideally including all U.S. onshore operations in their commitments. For each segment, Partners may join the Program at one of the following levels:

Onshore production, gathering and boosting, and processing segments:

- Division or Business Unit Level, defined as a separately managed division or unit of an enterprise with strategic and/or operational objectives that may be distinct from the parent unit and other divisions or business units; OR
- Parent company or corporate level for all U.S. onshore operations.

Transmission and storage segments:

- Natural gas transmission company operating an inter-state or intra-state transmission pipeline system as regulated and defined by the Federal Energy Regulatory Commission (FERC) or an individual state; OR
- Parent company or corporate level (e.g., a single commitment that spans multiple transmission pipelines across U.S. operations).

Distribution segment:

- Local distribution company¹ (LDC) within a single state that is regulated as a separate operating company by a public utility commission or that is operated as an independent municipally-owned distribution system; OR
- Parent company or corporate level (e.g., a single commitment that spans multiple LDCs).

Program Reporting Requirements and Tracking

Program Partners report annually to EPA through the voluntary Methane Challenge module in EPA's Electronic Greenhouse Gas Reporting Tool (e-GGRT). Data are collected at the facility-level, on a calendar year basis for all facilities covered by a Partner's commitment(s). This includes facilities that report to Subpart W as well as below-threshold facilities that are not required to report to Subpart W.

EPA leverages certain data reported to the Greenhouse Gas Reporting Program (GHGRP) through the Petroleum and Natural Gas Systems source category (Subpart W) to track Program activities. Partners also report supplemental data to comprehensively track progress towards their source-specific commitments, including data that enables Partners to highlight methane emission reductions achieved through voluntary action. Data elements to be reported are provided in a detailed technical document.² Partners submit data using facility-specific Excel reporting forms downloaded directly from the Methane

¹ Local distribution systems whose primary business is to deliver natural gas to residential, commercial and industrial gas consumers.

² <https://www.epa.gov/natural-gas-star-program/methane-challenge-program-technical-documents>



Challenge module in e-GGRT. For facilities that report to Subpart W, the reporting form will pre-populate with relevant Subpart W data.

Program reports are due annually each year (on a date to be specified by EPA, typically in the fall). Partners begin collecting relevant annual reporting data on their designated commitment start date and submit their first report after one full calendar year of participation in the program. Methane Challenge data are reported on a *calendar year* basis.

Annually, EPA compiles the data collected and publicly releases (i.e., on the Program website) all non-confidential data submitted to the Methane Challenge Program,³ including relevant Subpart W data pre-populated from GHGRP reports, to track the progress of individual Partner companies in meeting their Program commitments.

The Methane Challenge Program website includes the following information for each Partner:

- Implementation Plan and optional Historical Actions Fact Sheet ⁴
- Methane Challenge Dataset (including annual activity data, methane emissions, voluntary actions, and voluntary reductions for the sources included in the Partner commitments)
- Methane Challenge Commitment Progress
- Total Methane Reductions (while a Methane Challenge Partner)

Process for Company Participation in the Methane Challenge Program: BMP Commitment

Key Steps	Action
Join Program	Partners sign Partnership Agreement with the EPA, including the following: <ul style="list-style-type: none"> • Scope of participation • Source commitments: at least one source • Commitment start date: within six (6) months of signing Partnership Agreement • Commitment achievement year: within five (5) years of start date • Agreement to submit annual Methane Challenge Program data to EPA
Announce Commitments	The EPA lists Partner name and commitments on Methane Challenge website
Implementation Plan	Partner submits to the EPA within six (6) months of signing Partnership Agreement and the EPA posts on the Program website
Annual Reporting	Partner submits annual report via Methane Challenge module in e-GGRT
Annual Progress Tracking	EPA publishes Partner-submitted data and Program-calculated commitment progress metrics on Methane Challenge website

Exemptions

The BMP commitments are intended to apply “company-wide” (as specified above). If extenuating circumstances significantly hinder a Partner’s ability to implement BMPs company-wide, Partners may request an exemption. The EPA will work with Partners on a case-by-case basis to assess allowing an exemption from the company-wide BMP commitment. Any exemptions granted would be transparently documented on the Program website. Partners are encouraged to refrain from requesting exemptions until their target commitment date approaches to ensure that it would be warranted and necessary.

³ All Methane Challenge supplemental data must be non-confidential.

⁴ Personal contact information for Partner company representatives will not be made public.



Continuous Improvement

EPA promotes continuous improvement in the Methane Challenge Program to address the greatest emission reduction opportunities. Partners are encouraged to expand their Program commitments at any time. In particular, Partners that join for a single emission source will be strongly encouraged to commit to additional source(s) over time.

Methane Challenge also encourages innovation. Through the Program’s “Innovative Technologies, Practices, and Approaches” reporting mechanism, Partners can submit information on mitigation actions they are implementing that are not covered by existing Methane Challenge BMP commitments. Methane Challenge will publish these data and may use them to inform future commitment options, which would be developed through the Program’s “Continuous Improvement Process”. This process may be initiated by EPA or a Partner company; to learn more see: <https://www.epa.gov/natural-gas-star-program/methane-challenge-continuous-improvement>.