



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
INSPECTOR GENERAL

June 21, 2017

MEMORANDUM

SUBJECT: Project Notification:
Evaluation of EPA's Estimation of Methane Emissions From the
Oil and Natural Gas Production Sector
Project No. OPE-FY17-0017

FROM: James L. Hatfield, Director, Air Evaluations
Office of Program Evaluation

A handwritten signature in red ink that reads "James L. Hatfield".

TO: Sarah Dunham, Acting Assistant Administrator
Office of Air and Radiation

The Office of Inspector General (OIG) for the U.S. Environmental Protection Agency (EPA) plans to begin preliminary research to assess how the EPA estimates methane emissions from the oil and natural gas production sector. This project is included in our fiscal year 2017 Annual Plan.

The specific objectives for this evaluation are to determine: (1) how the EPA estimates methane emissions from the oil and natural gas production sector, including the extent to which the EPA has used the results of 2013 and 2014 emission studies conducted jointly by the Environmental Defense Fund and the University of Texas - Austin¹ to estimate those emissions; and (2) whether concerns about technical or other problems with the Environmental Defense Fund and University of Texas - Austin studies were identified or brought to the EPA's attention, and how the EPA addressed and resolved any such concerns.

The OIG expects to focus its work primarily on the Office of Atmospheric Programs at EPA headquarters. During our preliminary research, we plan to primarily focus on the above-referenced studies, including the devices used to measure methane emissions for those studies. We will use generally accepted government auditing standards in conducting our evaluation. This project should provide value to the EPA, states and the public by assessing whether selected methods the EPA uses to estimate methane emissions are valid.

We will contact the Office of Air and Radiation's audit liaison to arrange a mutually agreeable time to discuss our objectives and the purpose of the preliminary research phase of our project. We would also

¹ Allen, D.T., V.M. Torres, J. Thomas, D. Sullivan, M. Harrison, A. Hendler, et al., 2013. Measurements of methane emissions at natural gas production sites in the United States. Proc. Natl. Acad. Sci. USA 110:17768-17773.
Allen, D.T., A. Pacsi, D. Sullivan, D. Zavala-Araiza, M. Harrison, K. Keen, et al., 2014. Methane emissions from process equipment at natural gas production sites in the United States: pneumatic controllers. Environ. Sci. Technol. 49:633-640.

be particularly interested in any areas of concern that you may have. We will answer any of your questions about the project process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the course of the project. Throughout the project, we will provide updates on a regular basis as agreed upon at this meeting.

We respectfully note that the OIG is authorized by the Inspector General Act of 1978 to have timely access to personnel and all materials necessary to complete its objectives. We will request your resolution if an agency employee or contractor refuses to provide requested records to the OIG, or otherwise fails to cooperate with the OIG. We may report unresolved access matters to the Administrator and include the incident in the Semiannual Report to Congress.

I will supervise the project and the Project Manager will be Erica Hauck. Any information related to the project should be addressed to me at (919) 541-1030 or hatfield.jim@epa.gov, or Erica Hauck at (303) 312-6629 or hauck.eric@epa.gov.

cc: Ryan Jackson, Chief of Staff

Elizabeth Shaw, Career Deputy Assistant Administrator, Office of Air and Radiation

Joseph Goffman, Associate Assistant Administrator and Senior Counsel, Office of Air and Radiation

Reid Harvey, Acting Director, Office of Atmospheric Programs, Office of Air and Radiation

Paul Gunning, Director, Climate Change Division, Office of Atmospheric Programs, Office of Air and Radiation

Marc Vincent, Audit Follow-Up Coordinator, Office of Air and Radiation

Benita Deane, Agency Follow-Up Coordinator

George Hull, Acting Associate Administrator for Public Affairs

Julia Valentine, Acting Director, Office of Media Relations, Office of Public Affairs

Regional Audit Follow-Up Coordinators, Regions 1–10

Arthur A. Elkins Jr., Inspector General

Charles Sheehan, Deputy Inspector General

Alan Larsen, Counsel to the Inspector General

Kevin Christensen, Assistant Inspector General for Audit

Carolyn Copper, Assistant Inspector General for Program Evaluation

Patrick Sullivan, Assistant Inspector General for Investigations

Edward Shields, Acting Deputy Assistant Inspector General for Management

Christine El-Zoghbi, Deputy Assistant Inspector General for Program Evaluation

Jennifer Kaplan, Deputy Assistant Inspector General for Congressional and Public Affairs

Jeffrey Lagda, Congressional and Media Liaison, Office of Inspector General

Tia Elbaum, Congressional and Media Liaison, Office of Inspector General