



## EPA's Supplemental Proposal to Reduce Climate- and Health-Harming Pollution from Oil and Natural Gas Operations: Information for Tribal Nations

### Summary

- November 11, 2022 – The U.S. Environmental Protection Agency (EPA) is proposing to update, strengthen and expand its November 2021 proposal that would secure major climate and health benefits for all Americans by reducing emissions of methane and other harmful air pollution from both new and existing sources in the oil and natural gas industry.
- The Agency's supplemental proposal would make emissions reductions from the oil and natural gas operations more comprehensive. It would improve some of the standards proposed in 2021 and would add proposed requirements for sources not previously covered by the rules.
- The supplemental proposal also provides greater clarity and specificity for states that must develop plans to reduce methane emissions from existing sources, and for federally recognized Tribal Nations that choose to develop plans for existing sources within their jurisdictions. It would ensure that affected Tribal Nations are consulted as states and tribes develop plans to reduce methane from existing oil and natural gas sources. And it includes updated requirements that will ensure that existing source plans provide more rigorous and consistent protection for public health and the environment.
- The Clean Air Act standards in the supplemental proposal will work hand-in-hand with new resources and programs in the Inflation Reduction Act, which will incentivize early implementation of innovative methane reduction technologies and support methane mitigation and monitoring activities. These complementary efforts will allow the United States to achieve greater methane emissions reductions more quickly.
- EPA's supplemental proposal promotes innovation, reflecting input and information the Agency received from a diverse range of perspectives during the public comment period on the November 2021 proposal. EPA received more than 470,000 comments on the proposal, held government-to-government consultation with several Tribal Nations and held a three-day public hearing.

### The Supplemental Proposal Would Sharply Reduce Methane and Other Air Pollution from Oil and Natural Gas Operations

- Oil and natural gas operations are the nation's largest industrial source of methane. Methane is a highly potent climate pollutant that is responsible for approximately one-

third of current warming from human activities. Oil and natural gas operations also emit smog-forming volatile organic compounds (VOCs) and toxic air pollutants such as benzene and toluene, among others.

- In 2030 alone, the supplemental proposal would reduce methane emissions from covered sources by 87 percent, compared to 2005 levels. The November 2021 proposal would have reduced emissions from covered sources to 74 percent below 2005 levels in 2030.
- To ensure that its Regulatory Impact Analysis (RIA) is as informative as possible, EPA has developed an improved modeling approach to conduct a new analysis of the costs and benefits of the proposed standards. The new analysis reflects improved estimates of the number of facilities covered by the supplemental proposal and the amount of methane and VOCs they emit. The supplemental proposal also would sharply reduce emissions of VOCs and hazardous air pollutants that can harm health and air quality in nearby communities.
- Using the new analysis approach, EPA estimates that the supplemental proposal would:
  - Avoid an estimated 36 million tons of methane emissions from 2023 to 2035, the equivalent of 810 million metric tons of carbon dioxide – nearly the same as all greenhouse gases emitted from coal-fired electricity generation in the U.S. in 2020.
  - Avoid 9.7 million tons of smog-forming VOC emissions from 2023 to 2035, along with 390,000 tons of toxic air pollutants like benzene and toluene, among others.
  - Yield \$3.1 to \$3.2 billion in climate benefits per year, with total net benefits (after taking the costs of the rule into account) valued at \$34 to \$36 billion from 2023 through 2035.
  - Increase recovery of natural gas -- valued at \$3.3 to \$4.6 billion from 2023 through 2035 (based on forecasted prices) – that otherwise would go to waste.
- Reductions from EPA’s proposed Super-Emitter Response Program are likely to be substantial. However, because the quantity of reductions is uncertain, they were not estimated for the RIA. Super emitters may be responsible for a large portion of total emissions from the oil and natural gas sector.

### [EPA’s Supplemental Proposal Creates A More Comprehensive Approach to Reducing Methane and VOC Pollution.](#)

- The updated requirements EPA is proposing would apply to the Agency’s New Source Performance Standards (NSPS) for new, modified and reconstructed sources. They also would serve as presumptive standards to assist states in developing plans under the proposed Emissions Guidelines for existing sources.
- The supplemental proposal would:

- Ensure that all well sites are routinely monitored for leaks, with requirements based on the type and amount of equipment on site;
- Encourage the deployment of innovative and advanced monitoring technologies by establishing performance requirements that can be met by a broader array of technologies;
- Prevent leaks from abandoned and unplugged wells by requiring documentation that well sites are properly closed and plugged before monitoring is allowed to end;
- Leverage qualified expert monitoring to identify “super-emitters” for prompt mitigation;
- Strengthen requirements for flares to ensure they are properly operated to reduce emissions;
- Set a zero-emissions standard for pneumatic pumps at affected facilities in all segments of the industry, with exceptions limited to sites without access to electricity;
- Establish emission standards for dry seal compressors, which are currently unregulated.
- Require owners/operators of oil wells with associated gas to implement alternatives to flaring the gas unless they submit a certified demonstration that all alternatives are not feasible for technical or safety reasons.
- The updated requirements EPA is proposing would apply to both the Agency’s New Source Performance Standards (NSPS) for new, modified and reconstructed sources, and as presumptive standards to assist states in developing plans under the proposed Emissions Guidelines for existing sources.
- More information on these proposed requirements is included in the overview fact sheet for the [supplemental proposal](#).

### Eligible Tribal Nations Have the Option of Developing Their Own Plans

- Existing sources located in Indian country would not be included in a state’s plan. Under EPA’s Tribal Authority Rule, federally recognized Tribal Nations may seek the authority to implement their own plans under section 111(d) of the Clean Air Act. An eligible Tribal Nation with one or more designated facilities located within its jurisdiction would have the opportunity, but not the obligation, to develop plans that establish standards for existing sources on their tribal lands. “Designated facilities” is the term EPA uses for existing sources.
- Federally recognized Tribal Nations that choose to develop their own plans would follow the same requirements that EPA has proposed for state plans.
- EPA is committed to working with eligible federally recognized Tribal Nations that wish to develop their own plans to help them seek authorization and with plan development. The

Agency has the authority to develop a federal plan for federally recognized Tribal Nations that do not develop their own plans, to provide protection in those areas as well.

## EPA is Proposing Requirements for States or Tribal Nations Developing Plans under the Emissions Guidelines

- The supplemental proposal also includes more detailed requirements for states, which must develop plans, or federally recognized Tribal Nations, which may choose to develop plans, to reduce emissions from existing oil and natural gas sources. These include:
  - Criteria for determining whether existing programs can be considered equivalent to the presumptive standards, and
  - Requirements for the types of information and evidence states or Tribal Nations must provide if they want to apply a less-stringent standard to a particular facility or type of facility, based on factors such as the source's age or the physical impossibility of installing emissions control equipment. Those requirements also include considering communities most affected by, and vulnerable to, the impact of the emissions from those facilities.
- The supplemental proposal expands the requirement proposed in November to require meaningful engagement during the development of states' or Tribal Nations' plans.
  - EPA is proposing to require states to conduct meaningful engagement with Tribal Nations most affected by and/or vulnerable to the impacts of a state plan or plan revision. This engagement would need to occur while a plan is being developed and before the public hearings that already are required.
  - The Agency is seeking comment on how meaningful engagement should apply to pertinent stakeholders inside and outside of the borders of the state that is developing a state plan.
  - EPA is also seeking comment on proposed definitions of meaningful engagement and "pertinent stakeholders" states should include in that engagement, along with comment on including meaningful engagement in completeness criteria for state plans. The Agency is also seeking examples or models of meaningful engagement, including best practices and challenges.
- EPA is proposing to require states (or Tribal Nations that choose to develop plans) to submit their plans to the Agency within 18 months after the final Emissions Guidelines are published in the Federal Register. The supplemental proposal does not include the timeline for EPA to review the plan; EPA will address that timeline in an implementation rule, which the Agency intends to propose soon.
- Plans would be required to impose a compliance deadline on existing sources that is no later than 36 months after the deadline to submit the plan to EPA.

## Tribal Nations May Seek Treatment as a State

- Under EPA's Tribal Authority Rule, Tribal Nations may seek authority to implement a plan under Clean Air Act section 111(d) in a manner similar to a state.
- To be eligible for treatment as a state, a Tribal Nation must:
  - be federally recognized;
  - have a governing structure to carry out substantial governmental duties and powers over a defined area;
  - be, or will be, capable of implementing the program consistent with the Clean Air Act and applicable regulations; and
  - demonstrate jurisdictional authority, which would include identifying the boundaries of the area that would be covered by its program.
- Tribal Nations that are interested in applying for treatment as a state should start by contacting the tribal program manager for their EPA region. A list is available at <https://www.epa.gov/tribal/epa-tribal-program-managers>.

## EPA Wants to Hear Tribals Nations' Views

- EPA wants to continue engaging with Tribal Nations on the proposed rule. The Agency will offer additional consultation on a government to government basis to federally recognized Tribal Nations on the supplemental proposal once it is published in the Federal Register.
- In addition, EPA is hosting trainings for members of Tribal Nations and communities, tribal environmental professionals, and small businesses. The trainings, November 17 and 30, 2022, will provide background information on the supplemental proposal to help people prepare for providing public comments. Registration is required. [See more information about the trainings, and register to attend.](#)
- EPA will take written comment on the proposal until February 13, 2023. The Agency also will hold a virtual public hearing January 10 and 11, 2023. Registration for the public hearing will open after the supplemental proposal publishes in the Federal Register.
- [See additional information about the supplemental proposal.](#)