



Congress of the United States

February 13, 2023

The Honorable Michael Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

RE: Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review - EPA-HQ-OAR-2021-0317-1460

Dear Administrator Regan,

Thank you for your attention to our comments on the Environmental Protection Agency's (EPA) supplemental proposal, referenced above, posted on December 6th 2022, requesting comment on the EPA's plans to further harm the U.S. oil and gas industry and increase costs for consumers by adding additional regulatory burdens on methane emissions.

Throughout the nation, the many small businesses that make up the independent oil and gas industry understand the value and importance of a regulatory framework that addresses methane emissions. However this regulatory text far exceeds what is practical and beneficial. Results from a third party study on the emissions of marginal wells conducted by the U.S. Department of Energy, [*Quantification of Methane Emissions from Marginal \(Low Production Rate\) Oil and Natural Gas Wells*](#),¹ shows that such wells have de minimis emissions thus rendering the need to regulate them in a formal, expensive and bureaucratic manner unnecessary.

According to the study no emissions could be detected at 65% of the sites, while 90% of all emission that could be detected measured less than 2.4 tons per year. When considering these paltry emission numbers weighed against regulatory action would likely reduce flow production wells that account for up to 9% of all U.S. oil and gas production – thus leading to increased foreign imports to meet continuing demand – it is clear that the benefits do not come close to out weighing the costs.

If implemented the proposed rule's impact on small producers will be significant, and would likely cause reduced investments or business failures over a large portion of the industry, which will have a profound deleterious effect on consumers.

Small oil and gas producers often operate in rural areas, and their production helps to ensure a stable and secure energy supply for consumers. With the potential loss of production that these small producers bring to the table, consumers will be left with reduced supply and correspondingly higher prices, which is the last thing needed at a time when our nation is battling crippling inflation. Not to mention the

¹ <https://www.osti.gov/biblio/1865859>

substantial loss of well-paying jobs of hardworking men and women in communities where the economic livelihood revolves around an energy based economy.

Additionally, the EPA's desire to continue pursuing a community monitoring program – known as the Super-Emitter Response Program – to detect large emission events is troubling and we strongly oppose the creation of such a program. However, if the EPA is insistent on pursuing this course of action, it is vital that the program be carefully crafted to ensure small producers are clearly exempt, which is not clear in the current draft. At a minimum, safeguards should be put in place to guard against overzealous activists seeking to induce financial hardship on producers with false reports.

Finally, it is also worth noting that this supplemental proposal is in direct opposition to congressional intent. The recently passed *Inflation Reduction Act* which was signed into law directly exempted smaller wells from a methane fee, the EPA's supplemental proposal completely oversteps by seeking to override the will of Congress in terms of regulations on low production facilities.

We strongly urge the EPA to reconsider the impact of these regulations on small oil producers and to take a more balanced – government-industry, incentive and partnership based – approach that considers both the need to reduce methane emissions and the impact on small businesses and consumers that should begin with all parties coming to the table to seek common ground around a commonly shared approach.

Every day, oil and gas producers seek to meet their obligations to manage emissions, a practice that should be rewarded and encouraged. Regrettably, the proposed rule seemingly targets small producers for disruption or bankruptcy, while having minimal impact on emissions and air quality.

Thank you for the opportunity to submit these comments.

Sincerely,



Roger Marshall, M.D.
United States Senator



Steve Daines
United States Senator



Jodey Arrington
Member of Congress