



# **Petroleum and Natural Gas Fugitive and Vented GHG Emissions Reporting Proposed Rulemaking**

EPA Climate Change Division

# Petroleum and Natural Gas Proposed Rulemaking



- Initial Proposal April 2009
  - Received over 1200 pages of formal comments
  - Relied heavily on direct measurement
  - Not finalized in MRR promulgated October 30, 2009
- Re-Proposal March 2010
  - Includes two additional reporting segments
  - Relies less on direct measurement
  - Reduces burden on reporters
- Signed by the Administrator on March 22, 2010
- Public Hearing, April 19, 2010, in Arlington, VA

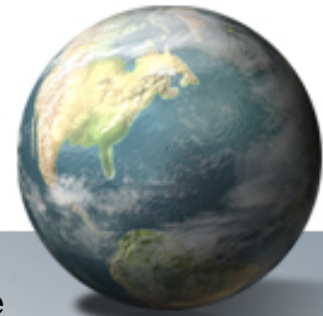
# Key Provisions of Proposed Petroleum and Natural Gas Reporting Rule



- Would require reporting by facilities in specific segments of the petroleum and natural gas industry that emit GHGs  $\geq$  25,000 metric tons CO<sub>2</sub>e per year:
  - *Onshore petroleum and gas production (including EOR CO<sub>2</sub> surface emissions), basin level reporting*
  - Offshore petroleum and gas production platforms
  - Natural gas processing plants
  - Natural gas transmission compression facilities
  - Underground natural gas storage facilities
  - Liquefied natural gas (LNG) storage facilities
  - LNG import and export facilities
  - *Natural gas distribution facilities, owned or operated by Local Distribution Companies (LDCs)*

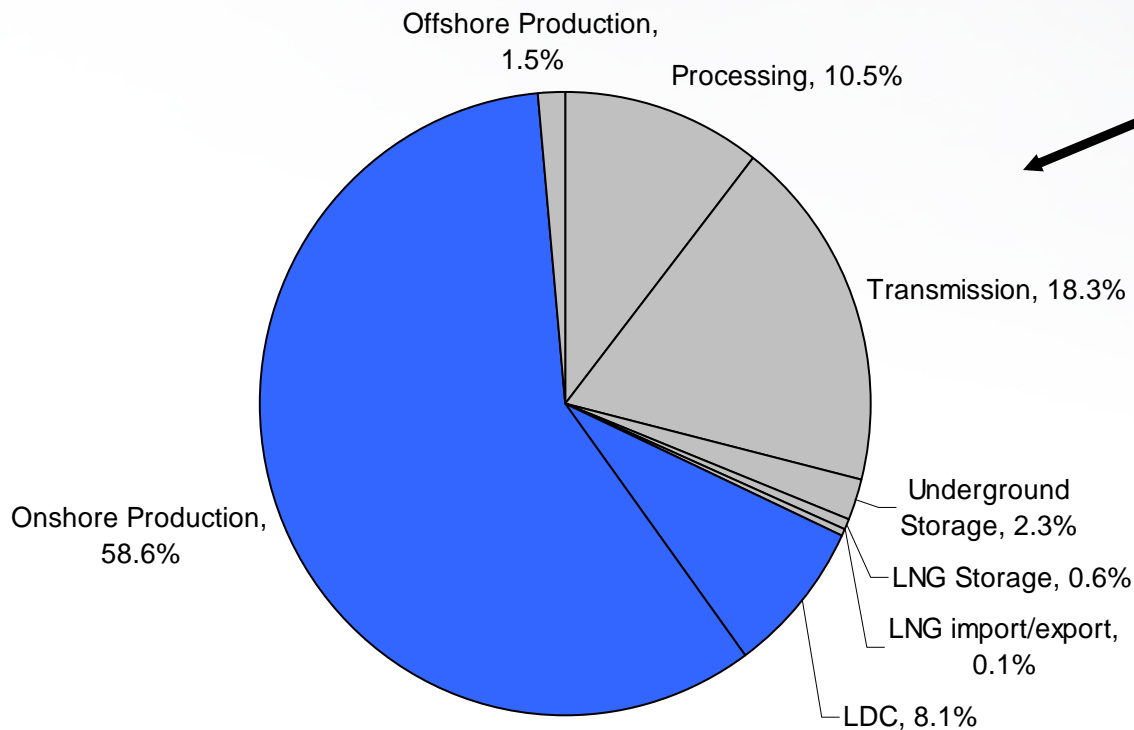
*\*Italic notes: new facilities, not included in initial oil and gas systems proposal*

# Oil and Gas Industry Emissions



**Oil and gas sector fugitive and vented emissions are the fifth largest source category covered in the Mandatory Greenhouse Gas Reporting Rule**

## Breakdown of Oil and Gas Process (Fugitive and Vented) GHG Emissions by Sector



Grey shading indicates emissions from facilities included in initial proposal, blue indicates new sectors

# Key Provisions of Proposed Petroleum and Natural Gas Reporting Rule, cont.



- Would require annual reporting of fugitive and vented CO<sub>2</sub> and CH<sub>4</sub> emissions from petroleum and natural gas systems facilities, as well as combustion-related CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emissions from flares at those facilities.
- Data collection methods revised and rely less on direct measurement.
- Data collection would begin in 2011; reports would be due to EPA March 2012.

# Petroleum and Natural Gas Systems

## Reporting Rule: Summary of Coverage and Reporters



- Total process (vented and fugitive) GHG emissions coverage is 272 million metric tons CO<sub>2</sub>e/year (almost 90% of total oil and gas process emissions).
- An additional 79 million tonnes combustion emissions (will be reported under General Stationary Fuel Combustion, subpart C)
  - Once petroleum and natural gas subpart is final, the MRR will cover over 85% of total oil and gas industry emissions (CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O fugitive/vented and combustion emissions).
- Total number of facilities reporting is approximately 3,000 facilities
  - Roughly 1,800 of those facilities are estimated to be new reporters, about 1,200 are already reporting under another subpart of the Final MRR.
- Not a significant impact on small entities

# Further Information



- Information on the proposal and supporting background information is available electronically at [www.regulations.gov](http://www.regulations.gov), EPA's electronic public docket and comment system. The Docket ID number is: EPA-HQ-OAR-2009-0923.
- Prepublication documents are available at: [www.epa.gov/climatechange/emissions/subpart/w.html](http://www.epa.gov/climatechange/emissions/subpart/w.html)

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