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Carey Bylin
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW (6207-J)
Washington, DC 20460

Via e-mail: methanechallenge@tetrattech.com

RE: The U.S. Environmental Protection Agency's Proposed Natural Gas STAR Methane Challenge Program: Supplementary Technical Information for ONE Future Commitment Option.

Dear Ms. Bylin:

Our Nation's Energy Future Coalition, Inc. (ONE Future) appreciates the opportunity to comment on the U.S. Environmental Protection Agency's (EPA) Proposed Natural Gas STAR Methane Challenge Program's Supplementary Technical Information for ONE Future Commitment Option (STI) released on November 24, 2015.

ONE Future is a unique coalition of leading companies with operations in one or more of the following four principal segments of the natural gas industry: (1) oil and natural gas production and gathering; (2) natural gas processing; (3) natural gas transmission and storage; and (4) natural gas distribution. ONE Future is a non-profit 501(c)(6) trade group that is focused exclusively on improving the management of methane emissions from the wellhead to the burner tip. By bringing together companies from every segment of the natural gas value chain, we aim to deploy innovative solutions to operational and policy challenges that will deliver better results to our customers, increase value to our shareholders, and improve the environment.

We have reviewed the Agency's draft STI, and in general, find the direction of the proposal to be a substantial deviation from the ONE Future framework as it has been discussed with EPA. Moreover, the proposal appears to require the gathering of significant volumes of superfluous data that does nothing to contribute to improved emissions performance, with an associated expense that would serve as a deterrent to participation in the ONE Future framework. Our more substantive comments follow, but given the elements of EPA's proposal that conflict with the ONE Future framework, we believe that it would be beneficial for the Agency to hold a stakeholder workshop, in an attempt to arrive at a better

common understanding of how the Methane Challenge can accommodate both the Best Management Practices approach and the ONE Future approach.

ONE Future has recently provided detailed comments to the EPA on its Proposed Framework for the Natural Gas STAR Methane Challenge Program (Proposed Framework) issued on July 23, 2015, as well as the Supplementary Technical Information released on October 19, 2015, and the Draft Partnership Agreement and Draft Implementation Plan Guidelines released on November 10, 2015. We have elected to re-submit those comments to the Proposed Framework in their entirety, as our recommendations were not incorporated into the STI.

As we stated in our recent comments to the EPA’s Proposed Framework for the Natural Gas STAR Methane Challenge Program, ONE Future appreciates EPA’s proposal to establish an official linkage between ONE Future and the Methane Challenge program. We strongly believe that in supporting ONE Future as a Methane Challenge commitment option, EPA facilitate an approach that can achieve significant methane reductions at the lowest cost to industry and consumers. EPA’s support could ensure that emission performance will be uniformly tracked and reported in public to assure transparency and credibility, while facilitating performance benchmarking.

However, insofar as the EPA proposes in the STI that participants will report extensive data and information extraneous to EPA’s program mission, we believe that such a reporting effort will detract from that mission and deter industry participation in the Methane Challenge program. For that reason, ONE Future strongly opposes certain elements of the EPA’s draft STI which we believe will run counter to the mission of the ONE Future Coalition and the Methane Challenge program.

Specifically, ONE Future urges the EPA to consider the following changes to the draft STI:

1. Eliminate any requests to report supplemental data and information below the facility level.

Such requests would include component-level emissions or the specific equipment changes or work practices that were deployed at a given facility. As we stated in our comments to the Proposed

Industry Segment	Reporting Facility
Production & Gathering	Consistent with Subpart W
Processing	Consistent with proposed Subpart W
Transmission & Storage	Reported at each Pipeline level ¹
Distribution	Consistent with Subpart W ²

Framework, ONE Future member companies will report their emissions to EPA via the Methane Challenge reporting platform in order to demonstrate progress toward our emission intensity commitments. Under the ONE Future program, net emissions and emission intensities will be computed from emissions estimated and aggregated at the levels indicated in the table at left

¹ The reporting level for ONE Future’s Transmission and Storage industry segment would be at the Business Unit level, or alternately would include the aggregate of the covered emission sources included in the following facility definitions listed in Appendix C of the Methane Challenge Supplementary Technical Information: “Natural Gas Transmission Compression & Underground Natural Gas Storage” and “Onshore Natural Gas Transmission Pipeline”.

² ONE Future is supportive of the clarifying changes to this reporting classification requested by the American Gas Association in its comments to the Proposed OOOOa Rule.

for all covered emission sources. This reporting structure is consistent with the EPA's Greenhouse Gas Reporting Program, and will enable both the EPA and the public to track progress toward our commitments on a year-over-year basis.

2. **Eliminate any requests that program partners classify emission abatement actions as "voluntary" or "mandatory"**. Once again, ONE Future is a goal-oriented program that has specified an ambitious, specific and measurable performance target. Whether a company achieves its target by means of deploying voluntary or mandatory measures is immaterial. Likewise, it is immaterial whether a company was already operating at or near its targeted level of performance upon entering the Methane Challenge program. Upon entering Methane Challenge and choosing the ONE Future Commitment Option, all companies will report their emissions in exhaustive detail far above and beyond what is required of companies under existing law or under the Methane Challenge BMP Commitment Option. As noted throughout our comments on EPA's Proposed Framework, the ONE Future approach was built around identifying a robust, scientifically-determined performance target that is consistent with optimal performance. Even in the unlikely event that a company was to achieve and sustain such a level of performance exclusively by adhering to state and federal mandates, the outcome is what is important: optimal performance.

Further, it should be noted that although the Administration has always communicated that a combination of mandatory and voluntary measures would contribute toward achieving its stated goal of 40-45% reduction in methane emissions from 2012 levels, neither the Administration nor the EPA has chosen to delineate specific targets to the voluntary and mandatory components of their plans. In light of this, we are at a loss to see why it would be incumbent upon industry to differentiate between the two.

Therefore ONE Future opposes those elements of EPA's proposal that would require companies to classify actions taken as being compliance-related or wholly voluntary, as gathering this information is extraneous, and will lead to unnecessary expenditures that are neither reasonable nor practical.

3. **As stated in our comments to the Proposed Framework, ONE Future urges the EPA to issue Methane Challenge program guidance that recognizes and accounts for the reduction potential of fugitive emissions abatement practices such as Leak Detection and Repair (LDAR) and Directed Inspection and Maintenance (DI&M)**. These programs have been demonstrated to be effective in reducing equipment leaks and fugitive methane emissions, however the GHGRP does not account for any reductions achieved via the application of these work practice standards. EPA has indicated that they will recognize reductions related to these programs but has proposed to await finalization of EPA's proposed standards of performance for emissions of methane and volatile organic compounds (VOCs) from new, modified and reconstructed sources

in the oil and gas sector³ *before* specifying abatement options (or defining emission factors for such options) for fugitive emissions and equipment leaks.

ONE Future opposes such a delay as we believe that there is no reason to link pending regulatory requirements governing fugitives from new sources with voluntary actions on both new and existing sources. To the contrary, one of the key features of a voluntary program is the fact that it can accommodate and encourage the deployment of innovative and customized approaches to emissions abatement. We encourage the EPA not to wait for finalization of the proposed OOOOa to arrive at appropriate reduction estimates for companies utilizing these work practice standards; rather we urge EPA to provide a clear methodology that allows companies to quantify their reductions by implementation of these voluntary practices.

- 4. Finally, we urge EPA to revise the data elements requested under the heading of “Emission Sources” in the STI to be consistent with those delineated in the Emissions Reporting Appendix of ONE Future’s Comments to the Proposed Framework.**

Thank you for your consideration of these comments. Should you have any questions, please contact me directly.

Tom Michels
Executive Director,
ONE Future Coalition

³ Oil and Natural Gas Sector: Emission Standards for New and Modified Sources, 80 Fed. Reg. 56,593 (Sep. 18, 2015) (“Proposed OOOOa Rule” or “Proposed Rule”).