



Trump Administration Hits Pause on Obama's Methane Reduction Charge

By: [Joby Rittenhouse](#)

The EPA and BLM have announced that oil and gas companies will not have to comply with federal methane rules for the foreseeable future. For those concerned about unnecessary government spending that will result if these agencies are forced to sit idle, unable to enforce the methane rules—the Department of the Interior followed up the announcement by just yesterday stating it plans to cut more than 5,000 jobs between the two agencies by 2018.

Proposed 2-Year Stay of EPA Methane Rules

On June 13, the EPA announced a proposed two-year extension of its stay of fugitive emissions requirements, pneumatic pump standards, and the requirements for certification of closed vent systems by a professional engineer intended to reduce methane emissions from oil and gas operations.

EPA stated that the move was in an effort to ensure that aspects of the agency's 2016 New Source Performance Standards ("NSPS") for the energy industry do not go into effect until the agency is able to work through the reconsideration process underway pursuant to President Trump's Executive Order, titled "Promoting Energy Independence and Economic Growth" (available [here](#)).

In 2012, the EPA published 40 CFR Part 60 Subpart OOOO (more commonly known as "Quad-O" and available [here](#)), which sets forth substantial, new methane emissions monitoring and reduction requirements, as well as provisions mandating that owners and operators in the oil and gas industry implement comprehensive leak detection and repair ("LDAR") programs throughout their facilities.

In June of 2016, the EPA published amendments to Quad-O which expanded the number of affected facilities and equipment types subject to the regulation and imposed requirements for fugitive emissions, pneumatic pumps, and professional engineer certification requirements.

EPA previously stated that it anticipated the NSPS would result in reduction of methane and other pollutants; however, U.S. oil and gas companies have indicated that they have substantially reduced methane emissions in recent years in part through their own independent efforts.

Postponement of BLM Venting and Flaring Compliance Dates

In addition to the EPA's proposed stay, on June 15, the BLM stated that it will postpone the compliance dates for parts of its rule governing the flaring and venting of associated natural gas on public and tribal lands imposed by the Obama administration.

BLM's stated purpose for the postponement (available [here](#)) is the "the substantial cost that complying with these requirements poses to operators" and "the uncertain future these requirements face in light of the litigation and administrative review of the rule."

Certain provisions of the rule became effective on January 17, 2017; however, other aspects of the rule were not to go into effect until January 17, 2018—it is these provisions that the BLM is now postponing. Specifically, the BLM postponed the compliance dates for gas capture; flare volume measurement; upgrade or replacement of pneumatic equipment; capture or combustion of storage tank vapors; and LDAR programs.

Just days after the publishing notice of the postponement, on June 21, Interior Secretary Ryan Zinke stated in response to a line of questioning from the Senate Energy and Natural Resources Committee, "My intention, so you know, is we're going to rewrite the rule." Zinke did not offer specifics on the Interior's plan for the rule. In addition to Zinke's comment regarding the future of the BLM rule, Zinke stated that he plans to cut about 4,000 full-time staff from the BLM by 2018. According to [reports](#), the EPA has similar employment reductions planned. Zinke indicated the cuts were necessary to achieve a "balanced budget."

The results of the EPA and BLM's efforts in relation to these rules foreshadow a likely course of future agency action to ease the regulatory burden on the energy industry as directed by the President's Executive Order.

For more information regarding these rules, please contact [Jim Martin](#) or [Nicole Blevins](#).