United States Senate
COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
WASHINGTON, DC 20510–6350

May 20, 2016

The Honorable Gina McCarthy
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Administrator McCarthy:

We write in regards to the U.S. Environmental Protection Agency's (EPA) 2016 Greenhouse Gas Inventory (GHGI), which reported an abrupt change in estimates for domestic methane emissions. In the first instance, we are concerned the revised estimates are based on a flawed methodology that upends years of public discourse on U.S. methane emissions. We are also concerned that the Agency finalized rules for regulating methane emissions from new, modified, and reconstructed oil and gas infrastructure and is in the process of promulgating rules for existing oil and natural gas infrastructure before demonstrating a comprehensive understanding of the extent of emissions and their sources. We believe that this development calls for substantial congressional inquiry and oversight.

On Friday, April 15, the Environmental Protection Agency (EPA) released its annual GHG inventory. Despite years of data depicting a decrease in overall methane emissions, including those from the oil and gas sector, the 2016 Inventory revised emission estimates that are vastly different from previous EPA estimates.[1] Last year's inventory showed that methane emissions from natural gas systems dropped 11 percent since 2005. The revisions to previous years' data that were made in this year's inventory, however, found the reductions in methane emissions from natural gas to be less than one percent. Furthermore, this year's inventory found a 29 percent increase in methane emissions from petroleum systems since 2005. That is an upward revision of about 30 percent from the previous year's estimate.

The timing of these revisions is deeply suspect. With about six months left in President Obama's second term, it is well known that you and the President view addressing climate change as key to his environmental legacy, and the forthcoming regulation of emissions from existing oil and natural gas infrastructure will be a key driver in doing so. But such political factors cannot change the facts.

Furthermore, recent scientific studies demonstrate that methane emissions from fossil fuels are not increasing even as U.S. energy production has risen dramatically in recent years. For example, a study in the journal *Science*, which included researchers from the National Oceanic and Atmospheric Administration (NOAA), concluded that fossil fuel production is not causing the rise of methane levels in the atmosphere since 2007[2]. The study concluded that increased emissions are coming from other sources.

Given our concerns over this serious matter, and the fact that EPA is moving ahead with plans to regulate emissions from existing oil and natural gas infrastructure, it is imperative that the Agency provide complete and thorough answers to the following questions and information requests by June 7, 2016.

---

[1] https://www3.epa.gov/climatechange/Downloads/ghgemissions/US-GHG-Inventory-2016-Main-Text.pdf
[2] http://science.sciencemag.org/content/352/6281/80

1. Did EPA conduct independent peer review of the new methodology employed to formulate new methane emissions data from oil and gas production facilities for the latest GHGI? If so, please provide all documents related to the peer-review process, including emails, meeting notes, calendar entries, and other relevant communications, between EPA officials and independent peer reviewers. If EPA did not conduct a peer review of the methodology, please explain why and how EPA ensured the GHGI complied with the Office of Management and Budget Peer Review Guidelines and EPA's Peer Review Handbook

2. EPA's assumed emissions increase from petroleum and natural gas systems stems from "scaling up" the count of pneumatic controllers and process fugitive components. As the agency must understand, this assumption ignores the fact that smaller (non-reporting) production sites have much smaller component counts per wellhead and many of them use little, if any, pneumatic controllers, particularly in petroleum systems. Please explain the legal, technical, and scientific justification for the agency's assumption.

3. EPA writes in a 17-page memo accompanying the GHGI data that, "The degree to which production segment activity data at reporting facilities is representative of all facilities (including small facilities) nationwide should be considered." As EPA admits, *70 percent* of smaller (non-reporting) oil and natural gas producing facilities are not included in the inventory. How does EPA plan to "consider" this fact as it gathers data to prepare for regulating existing oil and natural gas wells? How does EPA plan to gather accurate data—rather than simply making an extrapolation from larger production facilities—on these facilities?

4. A recent study by the Oklahoma Independent Petroleum Association refutes the claim—assumed and then applied by EPA—that pneumatic controllers can be considered equally across *all* well sites.[3] The study found that smaller well-site pneumatic controllers have significantly lower emissions than those that meet the GHGI reporting thresholds. Did EPA consider and analyze the conclusions from the OIPA study? Did EPA contact the authors of the study to understand how it arrived at its conclusions? If EPA did not factor the OIPA study into its GHGI revisions, please explain why.

5. A recent study published in the journal *Science* found that increases in methane levels in the global atmosphere have been caused by certain biogenic sources rather than from fossil fuel production. According to a March 11th report in *Energy and Environment Daily*, Lori Bruhwiler, a physical scientist at the National Oceanic and Atmospheric Administration's (NOAA) Earth System Research Laboratory, called the study "important." "Many of us were waiting for a paper like this to come out," Bruhwiler said. Did EPA consider and evaluate the conclusions in this study? Did EPA communicate with, or solicit the views of, NOAA scientists, including Ms. Bruhwiler, on the findings in this study? If EPA did not consider and evaluate the conclusions in this study, or communicate with, or solicit the views of, NOAA scientists on this study, please explain why.

6. The GHGI includes a revised—and very large—estimate of nationwide methane emissions from the Gathering and Boosting segment based on studies by the Environmental Defense Fund (EDF). EPA's revised methodology for applying the studies overemphasized the high-end of downwind concentrations of ambient methane based on very limited observations of offsite emissions. Has EPA considered the criteria developed by EPA's Office of Research and Development, which address the limitations, accuracy, and usefulness of off-site ambient concentration-type studies, prior to utilizing such data in the GHGI? If not, why?

---

[3] Okla. Independent Petroleum Assoc., "Pneumatic Controller Emissions from a Sample of 172 Production Facilities," Nov. 2014, *available at* http://www.oipa.com/page_images/1418911081.pdf.

7. Please provide all communications, including emails, meeting notes, calendar entries, and any other relevant information, between any EPA official and any member of the following groups concerning the preparation, proposal, and publication of the updated 2016 GHGI:

- Environmental Defense Fund
- U.S. Climate Plan
- Earthworks
- Greenpeace
- Sierra Club (including any staff from the groups 'Beyond Natural Gas' Campaign')
- Natural Resources Defense Council
- Investor Environmental Health Network
- Center for American Progress
- The Clean Air Task Force

As you know, oil and gas states are facing major economic downturns resulting from sluggish oil and natural gas markets. Hundreds of thousands of direct and indirect jobs in industry have been impacted during the price slump, which in turn has decimated many state and local tax rolls in fossil fuel states. Given that so many of our communities are being impacted by current market conditions, any new regulations impacting oil and natural gas should be based on reliable, transparent data that is devoid of any political considerations. At this point, we remain deeply skeptical that EPA's revisions to its methane emissions data meets those criteria.

Thank you for your expeditious attention to this critical matter.

Sincerely,

David Vitter
U.S. Senator

James Inhofe
U.S. Senator

Dr. Bill Cassidy
U.S. Senator

James Lankford
U.S. Senator

Roger Wicker
U.S. Senator

John Hoeven
U.S. Senator