



Natural Gas STAR Methane Challenge Program

Best Management Practice (BMP) Commitment Framework

Program Purpose

The Natural Gas STAR Methane Challenge Program Best Management Practice (BMP) Commitment is intended to spur near-term, widespread implementation of methane mitigation activities across the oil and natural gas value chain.

Program Scope

The Methane Challenge Program BMP Commitment includes the following emission sources, grouped according to the appropriate industry segments:

Onshore Production	Gathering and Boosting	Natural Gas Processing	Transmission and Storage	Distribution
Pneumatic Controllers	Pneumatic Controllers	Reciprocating Compressors - Rod Packing Vent	Reciprocating Compressors - Rod Packing Vent	M&R Stations/City Gates
Equipment Leaks/Fugitive Emissions	Equipment Leaks/Fugitive Emissions	Centrifugal Compressors - Venting	Centrifugal Compressors - Venting	Mains – Cast Iron and Unprotected Steel
Liquids Unloading	Pneumatic Pumps		Equipment Leaks/Fugitive Emissions	Services – Cast Iron and Unprotected Steel
Fixed Roof, Atmospheric Pressure Hydrocarbon Liquid Storage Tanks	Fixed Roof, Atmospheric Pressure Hydrocarbon Liquid Storage Tanks		Transmission Pipeline Blowdowns between Compressor Stations	Distribution Pipeline Blowdowns
Pneumatic Pumps	Reciprocating Compressors - Rod Packing Vent		Pneumatic Controllers	Excavation Damages
	Centrifugal Compressors - Venting			

Program Commitments

For each emission source included in the Program, the EPA has specified one or more BMPs. Partner companies join the Program through a commitment to address one or more emission sources by



implementing the BMPs across their operations by a future date.¹ Technical information describing BMPs is available in companion documents.²

Timeframe for Meeting Commitments

Upon becoming a Methane Challenge Partner, companies will designate their commitment start date, which must be within six (6) months of joining the Program. Partners will also establish the timeframe for achieving company-wide implementation of the BMPs, not to exceed five (5) years from the commitment start date. The EPA encourages companies to complete commitments in a shorter timeframe when appropriate.

Partner Commitment Levels

Partners may join the Program at the appropriate company level depending upon the industry segment. EPA encourages Partners to make the broadest possible commitments, ideally including all U.S. onshore operations in their commitments. For each segment, Partners may join the Program at one of the following levels:

Onshore production, gathering and boosting, and processing segments:

- Division or Business Unit Level, defined as a separately managed division or unit of an enterprise with strategic and/or operational objectives that may be distinct from the parent unit and other divisions or business units; OR
- Parent company or corporate level for all U.S. onshore operations.

Transmission and storage segments:

- Natural gas transmission company operating an inter-state or intra-state transmission pipeline system as regulated and defined by the Federal Energy Regulatory Commission (FERC) or an individual state; OR
- Parent company or corporate level (e.g., a single commitment that spans multiple transmission pipelines across U.S. operations).

Distribution segment:

- Local distribution company³ (LDC) within a single state that is regulated³ as a separate operating company by a public utility commission or that is operated as an independent municipally-owned distribution system; OR
- Parent company or corporate level (e.g., a single commitment that spans multiple LDCs).

Program Reporting Requirements and Tracking

Program Partners will report annually to the EPA through a data system to be developed by the EPA.

¹ Partners may also indicate sources for which they have already implemented BMP requirements company-wide in the Partnership Agreement, but must commit to address at least one additional source.

² To be posted on the Natural Gas STAR Methane Challenge website; link will be provided when documents are available.

³ Local distribution systems whose primary business is to deliver natural gas to residential, commercial and industrial gas consumers.



The EPA will leverage the data reported to the Greenhouse Gas Reporting Program (GHGRP) through the Petroleum and Natural Gas Systems source category (Subpart W) to track Program activities. Partners will also report supplemental data to comprehensively track progress towards their source-specific commitments, including data that enables Partners to highlight emission reductions achieved through voluntary action. Data elements to be reported are provided in detailed supplemental technical documents.⁴ The EPA will create a streamlined reporting system that collects supplemental data analogous to the current GHGRP reporting forms.

Partners will begin collecting relevant annual report data on their designated start date. Program reporting will be due annually each spring (on a date to be specified by the EPA), beginning the following spring after their start date.

Annually, the EPA will compile the data collected and publicly release (on the Program website) all non-confidential data submitted either to the Methane Challenge Program⁵ or through the GHGRP to track the progress of individual Partner companies in meeting their Program commitments.

The Methane Challenge Program website will include the following information for each Partner:

- Partnership Agreement and Implementation Plan⁶
- Annual activity data;
- Annual emissions; and
- Annual voluntary reductions for the sources included in the Partner commitments.

Process for Company Participation in the Methane Challenge Program: BMP Commitment

Key Steps	Action
Join Program	Partners sign Partnership Agreement with the EPA, including the following: <ul style="list-style-type: none"> • Scope of participation • Source commitments: at least one source • Commitment start date: within six (6) months of signing Partnership Agreement • Commitment achievement year: within five (5) years of start date • Agreement to submit annual Methane Challenge Program data to EPA
Announce Commitments	The EPA lists Partner name and commitments on Methane Challenge website
Implementation Plan	Partner submits to the EPA within six (6) months of signing Partnership Agreement and the EPA posts on the Program website
Annual Reporting	Partner submits supplemental data via Methane Challenge reporting mechanism (as applicable to commitment)
Annual Progress Tracking	The EPA aggregates source-specific data for each Partner and posts on Methane Challenge website

Exemptions

The BMP commitments are intended to apply “company-wide” (as specified above). If extenuating

⁴ To be posted on the Natural Gas STAR Methane Challenge website; link will be provided when documents are available.

⁵ All Methane Challenge supplemental data must be non-confidential.

⁶ Personal contact information for Partner company representatives will not be made public.



circumstances significantly hinder a Partner’s ability to implement BMPs company-wide, Partners may request an exemption. The EPA will work with Partners on a case-by-case basis to assess allowing an exemption from the company-wide BMP commitment. Any exemptions granted would be transparently documented on the Program website. Partners are encouraged to refrain from requesting exemptions until their target commitment date approaches to ensure that it would be warranted and necessary.

Continuous Improvement

The EPA will promote continuous improvement in the Methane Challenge Program to address the greatest emission reduction opportunities. Partners are encouraged to expand their Program commitments at any time. In particular, Partners that join for a single emission source will be strongly encouraged to commit to additional source(s) over time.

To encourage innovation, the EPA will consider adopting new sources and additional BMPs. The EPA will set up a process through which Partner companies can propose additional sources of interest and/or new BMPs for inclusion in the Program. The EPA will review information presented by Partners, as well as relevant publicly available information, and make decisions on a case-by-case basis. The EPA also welcomes public feedback on the addition of new emission sources and BMPs.

For innovative mitigation actions that Partners would like to pilot before they are widely commercially available or adopted, the EPA will work with Partners to assess including them as a Program BMP.

Relationship to the Natural Gas STAR Program

The EPA plans to maintain the Natural Gas STAR Program, including annual reporting of emission reduction activities and technology transfer activities. The EPA will work with Natural Gas STAR partners that join the Methane Challenge Program to ensure appropriate recognition and avoid duplicate reporting.