



EPA's Proposal to Reduce Climate- and Health-Harming Pollution from the Oil and Natural Gas Industry: Addressing Concerns of Tribal Nations

November 2, 2021- The U.S. Environmental Protection Agency (EPA) is taking a significant step in fighting the climate crisis and protecting public health through a proposed rule that would **sharply reduce methane and other harmful air pollutants from both new and existing sources in the oil and natural gas industry**. The oil and natural gas sector is the nation's largest source of methane, a potent greenhouse gas, and is a leading source of smog-forming volatile organic compounds (VOCs) and air toxics such as benzene.

EPA's proposed rule would **expand and strengthen New Source Performance Standards** for methane and VOCs from new, modified and reconstructed sources, and **establish the first Emission Guidelines requiring regulation of methane from hundreds of thousands of existing sources nationwide**.

The Agency **conducted extensive public outreach to hear from the public and a wide range of stakeholder groups**. The proposed rule reflects input from heard from **diverse voices and perspectives**, including members of tribal nations affected by oil and gas pollution.

The Agency intends to issue a **supplemental proposal** in 2022 and is seeking information about additional sources of pollution that may help the Agency **further reduce methane and VOC emissions from the oil and natural gas sector**.

Communities with environmental justice concerns, which can include tribal nations, **often bear an unequal burden of environmental risk and harm** – both from climate change and from air pollution. This fact sheet provides information on **how the proposed rule would benefit tribal nations** along with key results of an analysis EPA conducted of the **impact of oil and gas operations on communities with environmental justice concerns**. The fact sheet also **outlines opportunities to provide comments on EPA's proposal**.

Key Aspects of the Proposal That Would Benefit Tribal Nations

Addressing methane pollution

- EPA's proposed rule would expand and strengthen New Source Performance Standards for methane and smog-forming volatile organic compounds from new, modified and

reconstructed sources, and establish the first Emission Guidelines to require regulation of methane from hundreds of thousands of existing sources nationwide.

- Combined, these actions will reduce methane emissions by an estimated 41 million tons through 2035 -- **the equivalent of 920 million metric tons of carbon dioxide**. That's more than the amount of carbon dioxide emitted in 2019 from all U.S. passenger cars and commercial aircraft combined. In **2030 alone, the proposed rule would reduce methane emissions from covered sources by an estimated 74 percent** compared to emissions from those sources in 2005.

Reducing Health Impacts in Communities Near Oil and Gas Operations

- In addition to methane, air pollution from oil and natural gas facilities includes smog-forming VOCs, and a number of hazardous air pollutants (also called "air toxics,") that are known or suspected to cause cancer and other serious health effects.
- If finalized as proposed, EPA's rule would sharply reduce this pollution through rigorous guidelines for pollution sources at new and existing facilities, including facilities that can be near the places where people live, work and go to school. These include: requirements for finding and fixing leaks, requirements for controlling emissions of "associated gas" from oil wells, measures to reduce pollution from new and existing storage tanks, zero-emission standards for pneumatic controllers, and standards for liquids unloading events.
- The overall proposal would avoid 12 million tons of smog-forming VOC pollution and 480,000 tons of air toxics pollution through 2035. In 2030 alone, the proposed rule would cut emissions of these harmful pollutants from regulated sources in half compared to expected emissions without the rule.
- EPA believes the proposed standards would reduce air pollution and deliver stronger health protection to people who live and work near oil and gas facilities, including in Indian country.

Addressing Larger Leaks Faster

- EPA is proposing a comprehensive monitoring program that would require companies to find and fix leaks (known as "fugitive emissions") at new and existing well sites and compressor stations.
- The program is designed to focus monitoring efforts on sites and equipment that are most likely to have large emissions. . EPA is also proposing routine monitoring and repair at hundreds of thousands of well sites that account for approximately 86 percent of fugitive emissions from wells, and at all new and existing compressor stations.
- EPA's proposal would specifically require fugitive emissions monitoring at equipment that is prone to malfunction, including flares and storage vessels, to detect and stop large leaks.

- The proposal encourages innovation by giving owners and operators the flexibility to use advanced technologies that can find major leaks more rapidly and at lower cost than ever before. EPA is also taking comment on whether these advanced technologies should be required at well sites and compressor stations.
- As part of the proposal, EPA is **seeking information on how it could empower communities** to help stem large emission events by detecting and reporting them to owners/operators for follow up and emission-reduction actions.

Eligible Tribal Nations Would Have the Option of Developing Their Own Plans Under the Proposed Emissions Guidelines

- Section 111(b) of the Clean Air Act assigns EPA the job of developing New Source Performance Standards (NSPS) for certain categories of new, modified and reconstructed source of pollution. Once EPA issues an NSPS for certain pollutants, section 111(d) of the law requires the Agency to issue regulations establishing procedures for states or eligible tribal nations to submit plans that reduce those pollutants from existing sources in the same industrial category. These regulations are known “Emissions Guidelines.”
- Emissions Guidelines do not impose requirements directly on sources. Instead, they establish procedures for states or eligible tribal nations to follow as they develop plans that establish, implement and enforce performance standards for “designated facilities,” which is the term EPA uses for existing sources. EPA is proposing Emissions Guidelines for methane as part of the proposed rule.
- Existing sources located in Indian country would not be included in a state’s plan. Under EPA’s Tribal Authority Rule, tribal nations may seek the authority to implement their own plans under section 111(d) of the Clean Air Act. An eligible tribal nation with one or more designated facilities located in its area of Indian country would have the opportunity, but not the obligation, to develop plans that establish standards for existing sources on their tribal lands.
- For tribal nations that do choose to develop their own plans, the proposed Emissions Guidelines include “presumptive standards” for the same types of facilities that are covered by the NSPS, with the exception of well completions and liquids unloading, which always are considered new or modified sources. The presumptive standards are intended to provide a starting point, much like a model rule, for tribal nations as they develop standards to include in their plans.
- The Clean Air Act requires that plans include standards that generally reflect the emission reductions achievable by applying the Best System of Emission Reduction (BSER) that the EPA Administrator determines has been adequately demonstrated. EPA’s proposed presumptive standards are based on BSER, which the Agency also is proposing for each type

of existing source covered by the rule. Most of the presumptive standards in the proposal mirror the standards EPA is proposing for new sources.

- Once the Emissions Guidelines are final, tribal nations choosing to develop plans must submit plans that establish standards that generally are as stringent as the presumptive standards. The law allows a tribal nation to apply a less-stringent standard to a particular facility or type of facility, provided it makes certain demonstrations. Those include unreasonable cost of control based on a source's age, location or basic design, and the physical impossibility of installing emissions control equipment, among others.
- EPA is committed to working with eligible tribal nations that wish to develop their own plans to help them seek authorization and with plan development. The Agency has the authority to develop a federal plan for tribal nations that do not develop their own.

Oil and Gas Impacts on Tribal Nations

- EPA is confident that the proposed rule, and the reductions in pollution it would achieve, would improve public health protection for members of tribal nation populations living near oil and gas facilities, including communities with environmental justice concerns.
- An EPA analysis found that 112 unique tribal lands are located within 50 miles of an affected oil and natural gas source, and 32 tribes have one or more oil or natural gas sources on their lands.
- EPA's proposed rule will significantly reduce emissions of climate-warming methane from the oil and gas industry. It also will reduce VOCs, which contribute to harmful smog and fine particle pollution. In addition, the emission controls that would be required in the rule will reduce a number of air toxics (also called hazardous air pollutants). Air toxics are pollutants known or suspected to cause cancer and other serious health effects.
- A detailed assessment of specific tribal nations' benefits of the proposed rule is not available. However, to provide information on the potential impacts of the oil and natural gas industry on communities with environmental justice concerns, including many tribal nations, EPA conducted "baseline" analyses to determine if certain environmental justice concerns existed. These analyses included impacts of the oil and gas industry as a whole, not just the equipment and activities covered by EPA's rules.
- Those analyses showed that, Native Americans, Hispanic populations and children 17 and younger may experience disproportional exposures to ozone pollution from VOC emissions from the oil and natural gas industry. The analyses also showed that more Hispanic people, and slightly more children ages 17 and younger, may live in communities with potentially elevated cancer risk from oil- and gas-related air toxics emissions compared to the national population (the term elevated risk means that 1 in 10,000 people may develop cancer being exposed to air toxics 24 hour a day for 70 years). In addition, EPA's analyses also showed

that Hispanic households spend a larger portion of their income on energy than non-Hispanic households.

- EPA is seeking comments on key assumptions used in the environmental justice analysis, along with data and information that would allow the Agency to conduct a more detailed analysis of risk in the future.
- The agency also is seeking information, analysis, and comment on how the proposed rule would affect air pollution and health in communities with environmental justice concerns, and whether there are additional requirements EPA should consider that would enhance the health and environmental benefits of the proposed rule for these communities.

EPA Wants to Hear Tribal Nations' Views

- EPA wants to continue engaging with tribal nations on the proposed rule. **The Agency will offer tribal nations consultation** on the proposed rule. The consultation process will begin when the proposed rule is published in the Federal Register.
- In addition, EPA is offering a **two-day training November 16 and 17 for communities and tribal nations**. The training will provide background information on the oil and gas production process, an overview of the proposed rule, panel discussions with members of environmental justice communities and tribal nations, and information on how to effectively engage in the regulatory process. To register to attend, visit <https://www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry>
- EPA will take written comment on the proposal for 60 days after it is published in the Federal Register. The Agency also will hold a virtual public hearing. Details will be announced when the proposal is published.

For More Information

- To read the proposed rule and additional fact sheets, visit <https://www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry>