

DIFFERENTIATED GAS COORDINATING COUNCIL

Environmental Progress with Advanced Technologies: Promoting Effective and Harmonized Federal Regulations

Centralizing the Approval of Advanced Technologies

Throughout the oil and gas sector, companies are using [advanced technologies](#), including continuous emissions monitoring systems, aerial surveys, and satellites, to directly measure facility emissions and to detect and repair methane leaks. These devices are at the heart of initiatives to improve site-level monitoring and measurement of methane emissions more frequently than current approaches and more accurately than emissions factors. Moreover, these devices expand the capability to quickly detect and mitigate methane emissions and super emitters.

To ensure accountability and transparency of this emissions data, technology also exists for the resulting data to be fully secured with lineage and provenance traceable back to the origin as the natural gas moves through the supply chain to the buyer. However, these technologies face barriers to increased adoption if federal rulemakings do not account for rapid technological evolution. The recommendations outlined below will help to align pathways for advanced methane technologies to become a growing part of the decarbonization toolkit.

The Differentiated Gas Coordinating Council (DGCC) urges the White House Methane Task Force (WHMTF) to harmonize methane regulations and policies to avoid overlapping, duplicative, or contradictory programs.¹ By ensuring consistent rules, standards, and practices, the WHMTF can significantly accelerate the adoption of advanced technologies. Harmonized programs will also promote greater transparency and public confidence in U.S. methane policies.

Federal agencies should rely on the Environmental Protection Agency's (EPA) survey matrix for alternative screening approaches, continuous monitoring provisions, and the alternative test method approval process in the final New Source Performance Standards OOOOb/Emissions Guidelines OOOOc (NSPS OOOOb/EG OOOOc) rulemaking. EPA's robust model for integrating advanced methods on an ongoing basis in this rulemaking should serve as a framework for continuous review and approval of advanced technologies and rigorous performance criteria. This EPA rulemaking covers a large part of the natural gas supply chain from production, gathering and boosting, transmission, and storage segments, potentially providing advanced technology and methodology approaches that can address emissions across other federal agency rulemakings.

DGCC supports the creation of a joint clearinghouse to promote the consistent development and application of advanced monitoring and measurement methods across the federal

¹ Authority to achieve this, if not otherwise provided by the Administration, is provided in Executive Order 12866. See Exec. Order No. 12,866, 58 Fed. Reg. 190 (October 4, 1993) (Section 1(a): "[...] in choosing among alternative regulatory approaches, agencies should select those approaches that maximize net benefits [...]. In doing so, each agency shall consider incentives for innovation, consistency, predictability, the costs of enforcement and compliance (to the government, regulated entities, and the public), flexibility [...]" ; Section 1(b)(10): "Each agency shall avoid regulations that are inconsistent, incompatible, or duplicative with its other regulations or those of other Federal agencies [...] taking into account, among other things, and to the extent practicable, the costs of cumulative regulations [...] and that decisions made by one agency do not conflict with the policies or actions taken or planned by another agency. The OMB [Office of Management and Budget] shall carry out that review function.").

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government. Agencies should rely on the information already provided in EPA's NSPS OOOOb/EG OOOOc rule, eliminating the need for an applicant to replicate information already provided to EPA. Agencies with requirements that vary from the EPA's requirements should rely on EPA-approved methodologies coupled with additional performance criteria tailored to the compliance purpose of other agencies' distinct program or statute.

DGCC recommends that the Administration take the following steps to harmonize methane regulations:

- EPA should establish a framework in the **Final Subpart W Rule** for approval of qualifying advanced methane measurement technologies, including CM systems, that owners and operators of applicable facilities may use for compliance with their reporting obligations and for determining their liability for a Methane Waste Emissions Charge (Methane Fee). The framework should use EPA's NSPS OOOOb/EG OOOOc approval process and have performance criteria tailored to the advanced methane measurement quantification technology needed for the Methane Fee.
- The Department of Energy should align the **Measuring, Monitoring, Reporting, and Verification (MMRV) framework** with EPA's NSPS OOOOb/EG OOOOc rule by relying on EPA-approved definitions and methodologies as standard benchmarks for monitoring and measurement. For example, the final NSPS OOOOb/EG OOOOc rule includes a definition for CM that other agencies could adopt, thereby becoming a standard that consumers and governments point to as an approved methodology for monitoring. This removes the potential for debate as to what is sufficient and reliable.
- The Bureau of Land Management (BLM) should also rely on EPA's NSPS OOOOb/EG OOOOc rule's approved technologies and methodologies for its **final Waste Prevention Rule**. The final rule should explicitly state that operator use of direct measurement constitutes a "[reasonable precaution \[...\] to prevent waste](#)" and a "[prudent and reasonable step \[...\] to avoid waste](#)". BLM should provide automatic or expedited approval in these plans for the use of advanced technologies and methodologies that have been approved under EPA's NSPS OOOOb/EG OOOOc rule.
- The Pipeline and Hazardous Materials Safety Administration (PHMSA) should also rely on EPA's NSPS OOOOb/EG OOOOc rule's approved technologies and methodologies in its **final Gas Pipeline Leak Detection and Repair Rule**. Indeed, PHMSA proposed a similar approach, the Advanced Leak Detection Program (ALDP), which would be a performance-based standard, and requested comments on a proposed exception for compressor stations already covered under EPA's NSPS OOOOb/EG OOOOc rule. As with BLM, PHMSA should provide automatic approval for the use of those technologies approved under EPA's NSPS OOOOb/EG OOOOc test method. Where use under the PHMSA rule requires specific types or outcomes or performance, PHMSA could add specific performance-based criteria tailored for the application but rely on the information already provided in EPA's approval process, thereby eliminating the need for an applicant to replicate the information already provided to EPA. For example, drone flyovers could be approved in EPA's NSPS OOOOb/EG OOOOc and also require specific use case criteria for application on a pipeline.

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- In the Treasury Department's (Treasury) recently released Notice of Proposed Rulemaking (NPRM) on the **45V Clean Hydrogen Production Tax Credit**, the agency does not outline a pathway by which projects can use their specific feedstock emissions to determine the precise carbon intensity of the hydrogen they are producing. In its final rule, Treasury should look to EPA's NSPS OOOOb/EG OOOOc rule's approved technologies to create a venue for projects to demonstrate lower feedstock emissions. Given that project-specific emissions cannot currently be accounted for by the Greenhouse gases, Regulated Emissions, and Energy use in Technologies (GREET) Model included in the NPRM, Treasury should modify its proposed guidelines for the provisional emissions rate (PER) process by permitting projects that utilize lower emissions feedstocks to demonstrate and account for their emissions outside of GREET.
- The **final Securities and Exchange Commission (SEC) climate disclosure rule** and the **final Department of Defense (DOD) Federal Acquisition Regulation (FAR) rule** disclosure requirements should similarly rely on measured data from approved technologies and methodologies for companies disclosing methane emission reductions; this is a preferred approach over emission estimates. SEC and DOD should point to EPA's NSPS OOOOb/EG OOOOc methodologies as an approved methodology for MMRV. Again, this removes the potential for debate as to what is sufficient and reliable.