

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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<https://oversight.house.gov>

December 4, 2022

The Honorable Michael S. Regan  
Administrator  
U.S. Environmental Protection Agency  
1200 Pennsylvania Ave, N.W.  
Washington, D.C. 20460

Dear Administrator Regan:

We are conducting oversight of the U.S. Environmental Protection Agency's (EPA) proposed rule and supplemental proposed rule entitled "Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review" (Methane Rule or the Rule).<sup>1</sup> At the 2022 United Nations Climate Change Conference (COP27), White House National Climate Adviser Ali Zaidi said the Rule was part of the Biden Administration's "relentless focus" to "root out emissions everywhere."<sup>2</sup> However, the Rule and other Biden methane initiatives would sharply increase prices for American producers and consumers at a time when energy prices have hit record highs.<sup>3</sup> To understand the intent, scope, and cost of the Rule, we request that the EPA provide a staff-level briefing, documents, and information. Additionally, we request for the remaining public hearings on the Rule scheduled for January 10 and 11, 2023, be held in person so all members of the public may participate.

The Methane Rule is another example of the Biden Administration's war on domestic energy production because its provisions do not promote investment and construction of energy infrastructure. Instead, they raise energy prices for all Americans. On November 15, 2021, the EPA released the proposed Methane Rule, the flagship of the Biden Administration's efforts to reduce methane emissions.<sup>4</sup> After receiving and reviewing public comments, on November 8, 2022, the EPA released a supplemental proposal of the Rule with plans to issue the final rule in 2023. According to the EPA, compliance costs of the Rule will total \$15 billion dollars from

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<sup>1</sup> Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review, 86 Fed. Reg. 63110 (proposed Nov. 15, 2021) (supplemented Nov. 11, 2022) (to be codified at 40 C.F.R. pt. 60).

<sup>2</sup> Valerie Volcovici, *COP27: U.S. targets methane in 'relentless' emissions focus*, REUTERS (Nov. 11, 2022).

<sup>3</sup> Jeanne Chemmick, *Delayed methane rule rams into rising gasoline prices*, E&E NEWS (Oct. 20, 2022).

<sup>4</sup> White House Office of Domestic Climate Policy, *U.S. Methane Emissions Reduction Action Plan* (Nov. 2021).

2023 to 2035,<sup>5</sup> leading some industry stakeholders to request exemption from compliance costs for oil wells producing less than six barrels per day.<sup>6</sup> With 80 percent of U.S. wells producing less than 15 barrels a day,<sup>7</sup> the compliance costs for monitoring methane leaks is burdensome and will negatively impact American consumers.

The Methane Rule “super-emitter” provision would encourage community investigations into methane leaks,<sup>8</sup> raising serious concerns about third parties accessing private property. Under the Rule, third parties can find methane leaks in oil and gas facilities and make complaints to owners and operators.<sup>9</sup> “Private property rights need to be respected,” said one industry stakeholder in a statement submitted to the EPA.<sup>10</sup>

In order to better understand the intent, scope, and cost of the Methane Rule, please provide the following documents and information for the time period from January 20, 2021, to present, by December 19, 2022:

1. All documents and communications between or among EPA staff referring or relating to the Rule, Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review;
2. All documents and communications between or among EPA staff and White House National Climate Adviser Ali Zaidi referring or relating to the Rule, Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review;
3. All documents and communications between or among EPA staff and any staff or member of the White House Office of Domestic Climate Policy referring or relating to the Rule, Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review;
4. All documents and communications between or among EPA staff and any staff or member of the National Climate Task Force, referring or relating to the Rule, Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review;

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<sup>5</sup> EPA, *Regulatory Impact Analysis of the Supplemental Proposal for the Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector* (Nov. 2022).

<sup>6</sup> Valerie Volcovici and Nichola Groom, *Drillers ask U.S. to exempt smallest wells from looming methane rule*, REUTERS (Nov. 11, 2022).

<sup>7</sup> U.S. Energy Information Admin., *The Distribution of U.S. Oil and Natural Gas Wells by Production Rate* (Jan, 2022).

<sup>8</sup> Mike Lee, *How EPA’s draft methane rule targets ‘super-emitters’*, E&E NEWS (Nov. 14, 2022).

<sup>9</sup> *Id.*

<sup>10</sup> *Comment submitted by Darrah Oil Company, LLC, Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review*, 86 Fed. Reg. 63110 (proposed Nov. 15, 2021) (supplemented Nov. 11, 2022) (to be codified at 40 C.F.R. pt. 60).

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December 4, 2022

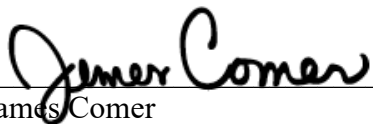
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5. All documents and communications between EPA staff and nongovernment groups referring or relating to the Rule, Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review.

Additionally, we request the EPA take steps to provide transparency to the rulemaking process before the final rule is issued. Specifically, we request the remaining public hearings on the Rule scheduled for January 10 and 11, 2023, have an in-person option.

To schedule delivery of responsive documents and to schedule the staff-level briefing, please contact Committee on Oversight and Reform Republican staff at (202) 225-5074. The Committee on Oversight and Reform is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. Thank you in advance for your cooperation with this inquiry.

Sincerely,



James Comer

Ranking Member

Committee on Oversight and Reform

cc: The Honorable Carolyn B. Maloney, Chairwoman  
Committee on Oversight and Reform