Brian E. Frosh Attorney General



MEDIA CONTACTS: <u>Press@oag.state.md.us</u> 410-576-7009

PRESS RELEASE

Attorney General Frosh Joins Coalition of 15 Attorneys General in Filing Notice of Intent to Sue if Trump Administration Continues Ignoring Legal Duty to Control Methane Pollution

Trump EPA Flouting Clean Air Act Requirements for Existing Oil and Gas Operations;

Proven, Cost-Effective Measures Would Slash Industry Methane Emissions By 40%, Yielding Over \$100 Million in Annual Savings

BALTIMORE, MD (June 29, 2017) – Maryland Attorney General Brian E. Frosh today joined a coalition of 15 Attorneys General, the California Air Resources Board, and the City of Chicago to put the Trump Administration on notice that they plan to sue if the Administration continues to ignore its legal duty to control emissions of methane – an extremely potent greenhouse gas – from existing oil and gas operations. In a letter to Environmental Protection Agency (EPA) Administrator Scott Pruitt, the coalition provided the required notice of their intention to sue the agency for failing to fulfill its mandatory obligation under the Clean Air Act to control methane emissions from existing oil and natural gas sources and for "unreasonably delaying" the issuance of such controls.

"The law is clear. The EPA has a legal obligation to control methane pollution," said Attorney General Frosh. "The EPA's continued failure to comply with the provisions of the Clean Air Act is illegal, endangers public health and our environment, and squanders over \$100 million annually."

Click here to read the coalition's notice of intent to sue.

Methane is an extremely potent greenhouse gas, warming the climate about 80-times more than carbon dioxide over a 20-year timeframe. Oil and gas operations – production, processing, transmission, and distribution – are the largest single industrial source of methane emissions in the U.S. and the second largest industrial source of U.S. greenhouse gas emissions behind only electric power plants. Based on EPA data, the Environmental Defense Fund estimates that roughly \$1.5 billion worth of natural gas – enough to heat over 5 million homes – leaks or is intentionally released from the oil and gas supply chain each year.

Nearly 90 percent of the methane emissions projected for the oil and gas industry in 2018 will come from sources in existence prior to 2012. However, proven, cost-effective methods are readily available to control methane emissions from these existing sources. A 2014 analysis prepared by ICF International found that the industry could cut methane emissions 40 percent

below the projected 2018 levels using available technologies and techniques – at an average annual cost of less than \$0.01 per thousand cubic feet of natural gas produced. Taking into account the total economic value of the gas that would be recovered, the 40 percent reduction would yield savings of over \$100 million dollars per year for the U.S. economy and consumers.

With more than 3,000 miles of coastline and the home of largest estuary in the United States – the Chesapeake Bay, Maryland is particularly vulnerable to rising sea levels and the more extreme weather events associated with climate change: shoreline erosion, coastal flooding, storm surges, inundation, and saltwater intrusion into groundwater supplies. Maryland has documented a sea level rise of more than one foot in the last century and increasing water temperatures in the Chesapeake Bay.

In December 2012, Maryland, along with Attorneys General from Connecticut, Delaware, Massachusetts, New York, Rhode Island, and Vermont notified EPA of their intent to sue the agency for violating the Clean Air Act by failing to adopt limits on methane emissions from equipment used in oil and natural gas production, processing, and transmission. In June 2016, EPA finalized standards to control methane emissions from oil and gas operations that were constructed or substantially modified after September 2015. Under the federal Clean Air Act, the regulation of these "new" sources triggered a legal requirement for the Agency also to regulate methane emissions from "existing" sources – emission sources in oil and gas operations in existence before September 2015.

Accordingly, in November 2016, EPA issued an "Information Collection Request" that sought information from oil and gas operators of "critical" use in addressing existing source emissions, including the number and types of equipment at production facilities, and emission sources and control devices or practices. EPA began receiving the requested information beginning in January 2017. However, on March 2, 2017, EPA Administrator Pruitt – without any public notice or opportunity for comment – withdrew the request. Although the coalition's letter makes clear that the information request is not necessary for EPA to issue the required rule, its revocation sent a clear signal that the Trump EPA has no intention of meeting its statutory obligation.

In today's letter to Administrator Pruitt, the coalition cites Congressional intent, established Agency practice, and the overwhelming contribution that existing sources make to methane emissions from these operations as support for their contention that EPA is obligated to act "without delay" to finalize controls on methane emissions from existing oil and natural gas sources. The coalition argues that EPA's failure to act since September 2015 to issue controls on methane emissions violates the Agency's non-discretionary duty under the Clean Air Act and is an "unreasonable delay" in setting such controls.

Under the Act, EPA must be provided advance notice of any suit seeking to compel it to act. Today's coalition letter meets this requirement, providing EPA with notice of its intention to sue if, within the required notice period of 60 days, the Agency fails to issue methane standards for existing sources in the oil and gas industry.

In addition to Maryland, the coalition includes Attorneys General from California, Connecticut, Illinois, Iowa, Maine, Maryland, Massachusetts, New York, New Mexico, Oregon, Pennsylvania, Rhode Island, Vermont, Washington, and the District of Columbia, as well as the California Air Resources Board and the Corporation Counsel for the City of Chicago. The coalition of Attorneys General have taken several other steps to force the Trump Administration to control methane pollution from the oil and gas industry. Last week, a coalition of 14 states <u>filed a motion to intervene in a lawsuit</u> against EPA's actions halting regulation of methane emissions from new sources in the oil and gas industry.