TEXAS METHANE & FLARING COALITION

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There are several common myths surrounding methane and flaring. The Texas Methane & Flaring Coalition has fact-checked these statements and provided helpful links below.

MYTH: Flaring is illegal.

- FACT: Flaring is allowed in Texas under the Railroad Commission of Texas (RRC) Statewide Rule 32 (SWR 32) in certain situations. SWR 32 delineates flaring options for operators to utilize when flaring is necessary. <u>You can learn more from the RRC here.</u>
- FACT: Flaring is authorized in the Texas Natural Resources Code (authorized in Chapter 86, mandated in Chapter 88).

MYTH: Methane in the atmosphere leads to the formation of ozone.

- FACT: The U.S. Environmental Protection Agency (EPA) and other general chemistry sources recognize that methane does not impact ozone formation or other harmful air pollutants such as smog.
- FACT: Methane emissions in the United States decreased by 23% since 1990. During this time period, methane emissions increased from sources associated with agricultural activities, while methane emissions decreased from sources associated with landfills, coal mining, and from natural gas and petroleum systems. (EPA GHG Emissions Overview)

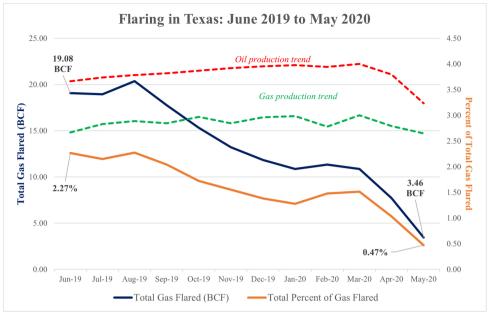
MYTH: Flaring can be completely eliminated.

• FACT: Flaring cannot be eliminated completely from oil and natural gas production as it is used to ensure the protection and safety of employees and the public. For example, the option to flare must be available to operators to relieve excessive pressure that could result in safety or environmental consequences.

MYTH: Flaring has increased over the past two years.

Source: RRC Energy Minute, August 2020

- FACT: <u>Historically</u>, flaring levels in Texas have been higher by volume and Texas has seen incredible progress in reduction over the years.
- FACT: Data released by the RRC in August 2020 shows that total flaring has decreased. More importantly, RRC production data indicates a decrease in the monthly flaring activity relative to natural gas production over the last year.



- From June 2019 through May 2020, gas production decreased from about 842 billion cubic feet to 735 billion cubic feet; a decrease of about 13%.
- From June 2019 through May 2020, the volume of gas flared decreased about 82%, from 19 billion cubic feet to 3.5 billion cubic feet.
- Since June 2019 Texas has decreased gas flared by 67% and is now operating at a gas capture rate of over 99%.
- About 2/3rds of the decrease of the rate of flaring occurred from February 2020 to May 2020, a majority of which occurred pre-pandemic.

MYTH: Emissions from oil and natural gas facilities signal danger and are a sign of excessive pollution.

- FACT: Texas emissions of pollutants have decreased significantly. All oil and natural gas facilities emissions must be authorized and permitted by the Texas Commission on Environmental Quality (<u>TCEQ</u>). According to the TCEQ:
 - Between 2000 and 2018, VOC emissions decreased 48% and measured ground level ozone concentrations decreased 30%.
 - Between 2000 and 2018, sulfur dioxide (SO₂) emissions decreased 67%.
 - Between 2000 and 2018, nitrogen oxides (NO_x) emissions decreased 69% and measured ground level ozone concentrations decreased 30%.
- FACT: Emissions from any industrial facility must meet strict state and federal regulations. These regulations are developed to ensure that emissions are protective of public health and the environment.
- FACT: What appears to be smoke from industrial operations is typically condensation of water vapor.

MYTH: The oil and natural gas industry is unregulated.

• FACT: The oil and natural gas industry is strictly regulated at the state and federal levels. The following chart breaks down the <u>federal oversight</u>:

FEDERAL ENERGY REGULATORY COMMISSION (FERC)	Regulates pipeline rates to encourage maximum use and regulates interstate transportation practices of oil and natural gas companies.	<u>Visit FERC online</u>
BUREAU OF LAND MANAGEMENT (BLM)	BLM regulates federal onshore land for oil and natural gas.	<u>Visit BLM online</u>
BUREAU OF OCEAN ENERGY MANAGEMENT (BOEM)	BOEM is responsible for providing leases for exploring federal offshore lands.	<u>Visit BOEM online</u>
BUREAU OF SAFETY AND ENVIRONMENT ENFORCEMENT (BSEE)	BSEE is responsible for enforcing safety and environmental regulations of offshore oil and natural gas resources.	<u>Visit BSEE online</u>
U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA)	The EPA is responsible for emissions regulations.	<u>Visit EPA online</u>
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION (PHMSA)	PHMSA assesses the safety and performance of pipelines.	<u>Visit PHMSA online</u>
SECURITIES AND EXCHANGE COMMISSION (SEC)	SEC ensures financial and organizational compliance of interstate public utility holdings, as well as publicly traded companies in the oil and natural gas industry.	<u>Visit SEC online</u>
U.S. DEPARTMENT OF ENERGY (DOE)	DOE manages the U.S.' nuclear infrastructure and administers the country's energy policy. It is the parent agency of the Energy Information Agency and the Office of Fossil Energy.	<u>Visit DOE online</u>

- FACT: At the state level in Texas, RRC and the TCEQ provide regulatory certainty for Texans and operators.
- FACT: While the regulation of oil and natural gas activities in Texas falls primarily under the jurisdiction of the RRC, TCEQ plays an important role in the areas of air quality, surface water management, water quality, and waste management. TCEQ has jurisdiction over air emissions resulting from flaring and venting operations at oil and natural gas production and processing sites, enforcing compliance with the state's environmental laws and monitoring air quality within Texas to protect public health and the environment.
- FACT: The RRC is the state agency with primary regulatory jurisdiction over the oil and natural gas industry, pipeline transporters, natural gas and hazardous liquid pipeline industry, natural gas utilities, the LP-gas industry, and coal and uranium surface mining operations. The RRC exists under provisions of the Texas Constitution and exercises its statutory responsibilities under state and federal laws for regulation and enforcement of the state's energy industries. The RRC also has <u>regulatory and enforcement responsibilities</u> under federal law, including the Surface Coal Mining Control and Reclamation Act, Safe Drinking Water Act, Pipeline Safety Acts, Resource Conservation Recovery Act, and Clean Water Act.