

Politics

White House Backed Big Oil Over EPA on Finding Methane Leaks

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- ▶ EPA fought to keep frequent inspections for methane leaks
 - ▶ Newly released documents show White House pressed agency
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In this article

White House officials pushed the EPA to maximize savings for the oil industry despite the agency's concern that weakening regulations would allow more methane to escape into the atmosphere, according to newly released documents.

CL1
WTI Crude
56.31 USD/bbl.
 ▼ -0.15 -0.27%

9886069Z
**AMERICAN
 PETROLEUM
 INSTITUTE**
 Private Company

BP/
BP PLC
522.70 GBp
 ▼ -2.20 -0.42%

CVX
CHEVRON CORP
118.50 USD
 ▼ -0.56 -0.47%

APC
ANADARKO PETROLE
55.63 USD
 ▼ -0.75 -1.33%

The White House pressure campaign came as the Environmental Protection Agency honed a proposal to relax Obama-era requirements governing how frequently oil companies have to check for and repair leaks of methane, an intense greenhouse gas that warms the atmosphere 84 times more than carbon dioxide.

Every move to dial back required inspections and reduce industry costs triggered a corresponding climb in projected methane emissions, a jump that appeared to trouble some EPA officials, according to internal documents filed in a government docket Tuesday.

The documents show EPA officials also repeatedly resisted White House pressure to dramatically decrease the frequency of required inspections at oil wells and compressor stations in the name of saving money.

In one case, officials with the White House Office of Information and Regulatory Affairs argued that less-frequent inspections would provide “the highest net

benefits.”

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But the EPA rejected that argument in May, countering that less-frequent inspections also would allow more methane to escape.

The behind-the-scenes debate, revealed in hundreds of pages of correspondence, analysis and drafts from a White House-led review of the plan, offers a rare look at how the Trump administration is pursuing a deregulatory agenda it says is saving the U.S. \$1.6 billion annually.

The episode “encapsulates the Trump administration’s environmental deregulation strategy,” said David Hayes, a former deputy Interior secretary who now is the executive director of New York University School of Law’s State Energy and Environmental Impact Center.

First the Trump administration overstates the costs to industry of environmental safeguards, then it ignores the costs to society of dismantling them, Hayes said. The result is “one-sided,” with claims of deregulatory cost savings from not requiring industry to protect human health and the environment -- while ignoring the cost to everybody else.

The entire process was driven by an attempt to maximize corporate profits at the expense of public health and the environment, said Amit Narang, a regulatory policy expert with Public Citizen. “The further OIRA tried to force EPA to maximize net benefits, the more it forced a weakening of the rule, and the more emissions went up.”

OIRA’s edits boosted projected cost savings from \$246 million over six years to \$484 million -- and resulted in a plan that is projected to more than double the release of methane. Representatives of OIRA did not respond to an email seeking comment on the documents.

The correspondence reveals how President Donald Trump’s zeal to cut regulatory costs has sometimes run into resistance from government officials worried the efforts go too far.

[Read: Trump Claims \\$1.6 Billion a Year Saved From Cutting Red Tape](#)

The EPA has been a willing partner in fulfilling Trump’s pledge to roll back environmental regulations he blames for stifling the U.S. economy. But under Trump, the agency has at least twice advocated taking a more moderate course and cautioned against deeper weakening of Obama-era environmental rules. Earlier this year, EPA officials disputed the safety and economic assertions underpinning a Trump administration plan to ease vehicle efficiency and emission standards.

The Trump administration had already decided to relax a 2016 methane rule in response to oil industry complaints the inspections were too frequent and costly. Under the Obama-era mandates, wells had to be inspected twice a year and compressor stations on a quarterly basis.

The question was how far to go in easing them.

\$75 Million Savings

In the end, the EPA's replacement plan proposed dialing back the frequency of those inspections to as little as annually for wells and compressor stations and once every other year for low-producing wells.

But that wasn't what Trump's EPA originally had in mind. For leak-prone compressor stations, the agency initially insisted that quarterly inspections were necessary to keep fugitive emissions at bay.

"The EPA is not proposing changes to the quarterly monitoring frequency requirement for the collection of fugitive emissions components located at compressor stations," said one early draft of the proposal. The EPA defended that approach by asserting that "quarterly monitoring is cost effective."

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But analysts at OIRA didn't agree, and that EPA language

was axed as a result.

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OIRA's insistence on less-frequent inspections dovetailed with the wishes of many oil companies that lobbied the Trump administration to relax the timetable. The issue was at the top of the agenda during a May 10 meeting Trump administration officials held with representatives from the American Petroleum Institute, BP Plc, Chevron Corp., Anadarko Petroleum Corp., Royal Dutch Shell Plc and other oil companies.

EPA defended its dogged insistence on quarterly inspections again in June, arguing that the more-frequent timetable reflects "what can be supported by the currently available data."

But OIRA didn't give up. After pressing for yearly compressor station inspections again in a phone call, OIRA's Chad Whiteman emailed an EPA official to emphasize the point in July. "We still feel that annual monitoring for compressors" is "the best option," Whiteman told EPA's David Cozzie, a Durham, North Carolina-based group leader in the agency.

Legal Threshold

Even after EPA employees relented and agreed to semiannual inspections for compressor stations, OIRA pushed them to relax the requirement even more. OIRA officials questioned why the EPA was willing to move to a semiannual schedule "but could not use the same justification to move to annual monitoring," EPA environmental engineer Karen Marsh recounted in an Aug.

14 email.

The EPA's response: Semiannual monitoring could qualify as the "best system of emission reduction" -- a legal threshold under U.S. law -- but annual inspections would fall short of that benchmark. "We can achieve greater emission reductions for a cost that is well within the acceptable cost of control," Marsh bluntly told OIRA.

EPA ended up relenting -- partially -- from its insistence on quarterly inspections. But it didn't make a choice between semiannual and annual inspections, instead proposing both timetables and offering it up for public comment.

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The EPA is now taking public comments on the proposal through Dec. 17, which will help guide a final version, expected next year.

(Adds comment from David Hayes in 8th paragraph.)

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