

HOT BUTTON ISSUES IN NAVIGATING NEW METHANE REGULATIONS





The oil and gas industry is bracing for significant operational changes as the Environmental Protection Agency's (EPA) new methane emissions regulations, known as the Final Rule for Methane Reduction (NSPS 0000b and 0000c), take effect. The regulations target both new and existing oil and gas facilities across the U.S., with a goal of reducing methane emissions by nearly 80% through 2038.

In light of these sweeping changes, we held a series of workshops for oil and gas leaders and regulators across the U.S. to share insights and best practices for compliance. In seven half-day sessions, we also heard their concerns and challenges—many of which are fueling a widespread belief that much of the industry will be challenged to meet full compliance in the near term.

Here's what we learned about hot-button issues affecting oil and gas:

Lack of Clarity on Path to Compliance

Oil and gas leaders say site-specific needs, varying state rules, and a maze of forms and paperwork make compliance feel anything but straightforward.

- ▶ **Case-by-case compliance challenges:** Across the industry, operators are frustrated by the lack of a clear, one-size-fits-all compliance pathway, particularly for sites and storage vessels that vary widely in configuration and environmental risk.
- ▶ **State-specific compliance requirements:** Although the EPA's rule provides a federal framework, individual states have some leeway in enforcement. This has created a patchwork of requirements—and an additional layer of complexity for companies that operate across state lines.
- ▶ **Forms and documentation:** The forms, reports, and databases managed across various platforms that are required for compliance add to the complexity of meeting the new regulations. Operators are looking for more straightforward, standardized documentation processes.

Training and Change Management

Compliance will require tackling both change management and targeted training across teams and sectors.

- ▶ **Management of change (MOC):** Operators must ensure that any modifications, including equipment upgrades or process changes, are documented and compliant with the new regulations, and this can be challenging for an operator that is making ongoing changes to hundreds or thousands of well sites. Robust MOC processes will play an increasingly important role in ensuring that changes are reported to Environmental, Health, and Safety (EHS) teams.

- ▶ Training needs for operations and engineering teams: There's a growing recognition among EHS teams that compliance with the new methane regulations is no longer solely within their purview. They'll need to integrate operations and engineering teams, whose day-to-day decisions have a significant impact on emissions and compliance, into their strategies and leverage cross-functional training to help operations and engineering teams understand their role in compliance.
- ▶ Sector-specific training and resources: The broad scope of the rule means that it affects various upstream and downstream sectors. This has increased demand for customized training and resources that address specific operational contexts.

Opportunities for Partnership

New regulations present opportunities for collaboration—both with regulators to navigate compliance and with vendors that are looking to develop effective solutions.

- ▶ Industry-regulator collaboration: As regulators prepare to enforce the rule—and the industry expects to be in noncompliance—there are indications that industry stakeholders and local regulators could benefit from collaborative approaches to compliance. Because some aspects of the rule lack clear implementation paths, this could leave room for discretion at the state level. By fostering partnerships with regulators, companies may be able to work toward compliant solutions that consider both the technical challenges involved and the industry's capacity to improve their emissions in a timely manner—all while driving toward the goal of reducing the industry's environmental impact.
- ▶ The role of vendors: An unexpected takeaway from the workshops was the high turnout of vendors that focus on compliance technologies. These vendors play a key role in helping companies identify solutions, such as compliant vapor recovery units and process controllers, that align with the new rule. But vendors themselves are navigating these new standards and are looking for guidance to ensure that their offerings meet regulatory requirements.

Adapting for the Future

The EPA's methane rule represents a transformative step toward environmental accountability for the oil and gas sector—but a significant step up in compliance risk as well as the financial, resource, and capital burden for large and small operators alike. As companies grapple with the scope and complexity of the new standards, the need for highly customized support—whether in the form of sector- or role-specific training, tailored compliance frameworks, or continued collaborative sessions—has never been greater.

More Perspective on Federal Methane Regulations from Trinity

A third-party consulting partner can better position companies to achieve compliance, drive efficiency, and ultimately contribute to a more sustainable future. From timely infographic summaries to blogs to industry points of view, we provide in-depth perspectives on the latest developments impacting regulatory compliance. Our [Methane Reduction Strategies](#) resource page is filled with relevant information surrounding the challenges arising from federal regulations and the actionable solutions oil & gas operators can take to achieve compliance.

[Learn more](#) about how Trinity Consultants is helping oil and gas leaders navigate the pathway to compliance and reduce their environmental footprint.