January 18, 2023

Via e-filing on www.regulations.gov

U.S. Environmental Protection Agency
EPA Docket Center
Attention: Docket ID Nos. EPA-HQ-OAR-2022-0875, EPA-HQ-OAR-2022-0875-0002
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Re: Request for Information, "Methane Emissions Reduction Program," Docket ID Nos. EPA-HQ-OAR-2022-0875, EPA-HQ-OAR-2022-0875-0002

Dear Docket Clerk,

Thank you for the opportunity for GPA Midstream Association ("GPA Midstream" or "GPA") to provide comments to the U.S. Environmental Protection Agency's ("EPA" or the "Agency") request for information, titled "Methane Emissions Reduction Program" ("MERP RFI").

GPA Midstream has served the U.S. energy industry since 1921 and has over 60 corporate members that directly employ more than 56,000 employees that are engaged in a wide variety of services that move vital energy products such as natural gas, natural gas liquids ("NGLs"), refined products, and crude oil from production areas to markets across the United States, commonly referred to as "midstream activities." The work of our members indirectly creates or impacts an additional 396,000 jobs across the U.S. economy. GPA Midstream members gather over 77% of the natural gas and recover more than 80% of the NGLs such as ethane, propane, butane, and natural gasoline produced in the United States from more than 380 natural gas processing facilities. In the 2019-2021 period, GPA Midstream members spent over $100 billion in capital improvements to serve the country's needs for reliable and affordable energy.

GPA and its members have participated in each EPA rulemaking to address greenhouse gas ("GHG") emissions from the oil and natural gas midstream industry, including the initial development of the greenhouse gas reporting program ("GHGRP") in 2009. Since that time, GPA has continued to work with EPA to improve, streamline, and clarify the requirements of 40 C.F.R. Part 98. We recently provided extensive comments on EPA's proposed rulemaking "Revisions and Confidentiality Determinations for Data Elements Under the Greenhouse Gas Reporting Rule," 87 Fed. Reg. 36,920 (June 21, 2022), Docket ID No. EPA-HQ-OAR-2019-0424.

We hope EPA finds the enclosed information useful. GPA welcomes the opportunity to continue discussions with the Agency as it develops its revisions to the GHGRP and implements the MERP.

Respectfully submitted,

Matt Hite
Vice President of Government Affairs
GPA Midstream Association

GPA Midstream Association
Sixty Sixty American Plaza, Suite 700
Tulsa, Oklahoma 74135
(918) 493-3872

Contents

On November 3, 2022, EPA announced the opening of a nonregulatory docket to accept public comment on new and existing programs addressed by the Inflation Reduction Act ("IRA"). EPA's Request for Information ("RFI") includes six separate dockets. These are the comments of the GPA Midstream Association ("GPA") on Docket 3: Methane Emissions Reduction Program (the "MERP RFI"). The MERP RFI addresses section 60113 of the IRA, which establishes (1) a waste emission charge on methane emitted from applicable oil and gas facilities; and (2) a $1.55 billion financial and technical assistance program to reduce methane emissions from the oil and gas sector. EPA poses specific questions regarding both of the section 60113 programs. GPA is pleased to offer these comments and hopes that they will help inform EPA's implementation of the IRA's methane reduction provisions.

1. Methane emissions from stationary combustion sources are not "waste emissions" and should not be subject to the waste emissions fee

It is crucial that, in any final rule implementing the directives in the IRA, EPA directly and explicitly exclude from the definition of methane emissions those that are not actually "waste emissions" such as any emissions resulting from the operation of equipment intended to actually perform a beneficial function—such as those that result from utilizing natural gas as fuel for engines driving compressors or generators.[1]

The text of the IRA supports this exemption. Specifically, Section 60113 makes a clear distinction between emissions that result from beneficial use and waste emissions, as it provides funding for "improving and deploying industrial equipment and processes that reduce methane and other greenhouse gas emissions *and waste*"[2] and for "supporting innovation in reducing methane and other greenhouse gas emissions *and waste* from petroleum and natural gas systems."[3]

A recent proposed ruled from the Bureau of Land Management further supports this distinction between beneficial use and waste emissions and even specifies explicitly that waste is associated with venting, flaring and leakage.[4] Emissions resulting from stationary combustion are fundamentally different; rather than being wasted, gas at those sources is used to fuel critical energy infrastructure. This interpretation is not precedent setting as Congress knows how to address methane emissions from beneficial uses and from waste and how to address waste emissions alone.[5] It did both of those things within section 60113, and it made clear that the methane fee provision was intended to apply to waste emissions only.

After all, the majority of combustion exhaust methane emissions are a direct result of industry being driven by EPA to reduce criteria pollutant emissions such as NOx and CO by switching combustion engines to lean-burn technologies. Methane emissions are inherent to a low-NOx/low-CO combustion process and lack any currently feasible or practical means of control. State gas capture programs such as in New Mexico [NMAC 19.15.28.8.F(3(a)] and North Dakota [NDIC Order 24665 (4)(b)] recognize this and deem gas used for combustion as beneficial use. These state gas capture programs do not count

[1] These emissions are often colloquially referred to as "methane slip." This term and "combustion exhaust methane emissions" are meant to be used interchangeably throughout these comments.
[2] IRA § 60113 (adding new Clean Air Act ("CAA") § 136(a)(3)(B) (emphasis added).
[3] *Id*. (adding new CAA § 136(a)(3)(C) (emphasis added).
[4] "Prevent the waste of gas through venting, flaring and leakage." 87 Fed. Reg. 73,588 (Nov. 30, 2022).
[5] *See, e.g.*, *Hamdan v. Rumsfeld*, 548 U.S. 557, 578 (2006).

fuel gas or fuel gas combustion products against gas capture target requirements and certainly do not deem it waste.

EPA has discretion under the statute and can address this issue through administration of the program. It should therefore make this clarifying point to ensure that combustion methane emissions are not considered "waste" and the intention behind the IRA is fulfilled.

2. Combustion exhaust methane emissions should report under Subpart C- General Stationary Fuel Combustion Sources

The IRA applies the waste charge to a "facility that reports more than 25,000 metric tons of carbon dioxide equivalent of greenhouse gases emitted per year pursuant to *subpart W* [emphasis added]." While many sources covered by Subpart W could reasonably be deemed a waste and subject to a waste emission fee, methane emissions from combustion sources are a true outlier (because they are, in fact, not "wasted"), and so should not even be subject to reporting under Subpart W. Instead, the most appropriate way to address this issue is to revise Subpart W to redirect stationary combustion emissions to Subpart C – General Stationary Fuel Combustion Sources of the GHGRP. As described below, such action would be consistent with the intent behind section 60113 of the IRA, and it would rectify a longstanding discrepancy with Subpart W.

Subpart W was originally promulgated on November 30, 2010, with the express intent to add requirements for facilities that contain petroleum and natural gas systems to report equipment leaks and vented GHG emissions to the GHGRP. EPA later amended Subpart W on October 22, 2015, to include the addition of calculation methods and reporting requirements for GHG emissions from gathering and boosting facilities, completions and workovers of oil wells with hydraulic fracturing, and blowdowns of natural gas transmission pipelines between compressor stations. Stationary combustion emissions are not equipment leaks or vented emissions and would be more appropriately reported under Subpart C. It would also be arbitrary and capricious for EPA to continue requiring the reporting of stationary combustion emissions under Subpart W for the onshore petroleum and natural gas production, onshore petroleum and natural gas gathering and boosting, and natural gas distribution segments when *all* other segments of the petroleum and natural gas industry and all other industries with fuel combustion emissions report to Subpart C. GPA submitted comments to EPA to this effect in the docket for the June 21, 2022 proposed rule to the GHGRP.[6] For these reasons and the reasons stated in the GPA 2022 Subpart W Comments, EPA should revise Subpart W to move combustion sources for all industry segments to Subpart C.

If EPA is unwilling to move these emissions to Subpart C, GPA recommends that EPA make clear when administering the collection of the methane waste emissions charge that gas used for stationary combustion is a beneficial use—or that the resultant methane emissions from stationary combustion are deemed as unavoidably lost—and so are not subject to the waste emissions charge.

[6] Comments of GPA Midstream Association on The U.S. Environmental Protection Agency's Proposed Rule: "Revisions and Confidentiality Determinations for Data Elements Under the Greenhouse Gas Reporting Rule, EPA Docket ID No. EPA-HQ-OAR-2019-0424-0192 (Oct. 6, 2022) ("GPA 2022 Subpart W Comments").

3. The historical context behind the IRA's waste emissions thresholds needs to be considered when determining how it will be implemented

A full understanding of the historical context underpinning the development of the waste emissions thresholds is crucial for ensuring that the IRA's language is properly implemented through its promulgating regulations. For example, most GHG emissions reporting to date (via GHGRP or other GHG reporting frameworks) has not adequately accounted for stationary source combustion exhaust methane emissions, and so it is unlikely these emissions were considered when establishing the waste thresholds. As such, it would be inappropriate to include these emissions when assessing a waste fee.

4. Emission factors should be considered empirical data

Emission factors are based on real-world empirical data. As such, EPA should interpret the IRA's mandate to base the methane waste charge on "empirical data" to include the use of emission factors. Relatedly, EPA should not mandate direct measurement of all sources. Direct measurement can provide granular point-in-time data, but it is also very costly and time consuming compared to using emission factors for some sources (for example, fugitive leaks) and will not necessarily yield better information on average. The time and money spent on direct measurement could instead be more effectively allocated to reducing or eliminating methane emissions.

5. Continuous monitors are not the panacea for emission reporting

EPA should consider preferring direct measurement techniques or emission factors based on *truly* direct measurement over indirect quantification technologies, and EPA should generally be cautious in preferring certain indirect measurement techniques over others. Specifically, a number of emerging "continuous monitoring" technologies coming to the marketplace imply that they can accurately measure emissions; in reality, these technologies do not directly measure emissions but rather extrapolate data to estimate a quantified emission amount. These technologies may have spatial issues (using trajectories based on meteorological data) or temporal issues (the measurement is a snapshot in time) that can result in significant uncertainty bounds (sometimes as much as 100% off when compared to direct measurement), and their accuracy is only as good as the proprietary systems correlating the detected data and emissions, many of which are still being adjusted and refined for accuracy.

Monitoring systems can indeed be helpful tools to identify unintended emissions, but these emerging technologies do not provide direct, or acceptably accurate, quantification of emissions upon which to base a waste fee.

Truly accurate quantification technology for methane emissions is still years away from being made commercially available. Instead of mandating the use of these types of indirect technologies, EPA's focus should be on directly reducing emissions from known sources—such as replacing gas-driven pneumatic controllers.

6. EPA should allow for a hierarchical GHG emission calculation approach similar to what is afforded in criteria pollutant emission inventories

As companies seek to improve the accuracy of their reported emissions, EPA could better fulfill the purposes of the GHGRP and the IRA by allowing more methods by which reporters can determine emissions. Most reporters have been submitting GHG reports to EPA for at least 6 years (G&B), if not 12 years (Gas Plants), and GHG reporting programs have come a long way in their maturity. As such, EPA should consider ways to move away from a reporting regime focused on consistent calculation methods among reporters and move toward a reporting regime focused on improving the accuracy of reported emissions. EPA should move toward a hierarchy of calculation methods, similar to how many states structure criteria pollutant emission inventory calculation requirements. Typical hierarchies include:

- Direct measurement (e.g., stack testing)[7]
- Manufacturer specifications and test data
- Emissions factors (generally supported by direct measurement data)
- Emissions quantification (algorithm-based estimates)
- Generally accepted calculation tools (e.g., ProMax, Glycalc, E&P Tanks, etc.)
- Engineering calculations
- Mass balance estimates

Operators use data and calculation methods that best represent emissions, and these methodologies—all valid in the context of emission inventories—can differ on an equipment-to-equipment or facility-to-facility basis. GPA supports the use of direct measurement and testing *as an option*, alongside the option to use emission factors derived from empirical data. This approach allows operators to use the best data available while avoiding inefficient and unnecessary mandates to collect direct measurements when other methodologies yield acceptable emission estimates. Importantly, operators should also be allowed to utilize equipment, facility, or company measurements instead of emission factors to reflect emission reductions (and increases) that would not otherwise be accounted for by emissions factors alone; this flexible approach recognizes different methodologies, measurements, and factors are best utilized in differing circumstances based on the precise application of technologies in specific contexts.

Additionally, Subpart W does not generally allow for downward adjustment of emissions to account for controls. As additional methane controls and mitigation methods emerge, calculations need to be flexible to reflect real reductions in emissions. For example, if a company has flyover and/or smart pigging programs to reduce pipeline emissions, the rule currently doesn't provide a way to reflect the emissions reductions achieved by those programs. As such, the rule should be expressly revised to account for those reductions by allowing operators to apply an emission reduction factor, or control percentage, if they have programs in place to reduce emissions.

[7] I.e., direct quantification of emissions using established testing protocols.

7. EPA should allow calculation flexibility for all sources, as discussed above, but if it does not, certain sources must be allowed to use equipment, facility, or manufacturer-specific data

GPA has identified several sources for which it believes the option to use equipment, facility or manufacturer-specific data in lieu of prescribed emission factors should be expressly included in any governing regulatory provisions. These are emissions sources where data and information specific to the individual equipment, facility, and/or manufacturers—including direct measurements—have the potential to be more accurate than the relevant emission factors. These equipment types are:

- Uncombusted methane from engines, i.e., methane slip (if this emission source is included in the waste fee, which GPA argues it should not be in comment 1)
- Pneumatic devices not currently covered by the existing GHGRP draft rule (i.e., allow monitoring of continuous bleed pneumatic devices)
- Fugitives (quantification from OGI surveys)
- Rod packing emissions

These are all sources where proven direct measurement techniques exist and operators should be allowed the option to use such data, or equivalent data from manufacturers and/or comparable sources at a facility, if it is available.

8. Allow operators to report emissions based on best available data to avoid multiple "sets of books" on GHG emissions

There are a multitude of driving forces on GHG reporting. These include EPA's GHGRP, the proposed SEC climate-related disclosure rules, and various voluntary reporting frameworks (e.g., GHG Protocol, NGSI, ONE Future, OGMP 2.0). Operators are often required to provide different sets of publicly available GHG data due to the rigidity of the GHGRP and the simultaneous need to state GHG emissions more accurately or differently in other reporting frameworks and publications. A waste fee based on data from the inflexible GHGRP only exacerbates this problem. Operators will be put in the position of paying waste fees based on emissions that are likely inaccurate (either too high or too low based on best available data) while also needing to justify that expense alongside the publication emissions data under other reporting frameworks. EPA should ensure that its GHGRP emissions reflect the best available data. Providing for sufficient flexibility by allowing the most accurate, real-world data to be reported into the GHGRP is crucial to avoiding the multiple "sets of GHG books" problem.

9. Throughput should be based on natural gas throughput, not methane throughput

The IRA states that the Administrator shall impose and collect the waste charge on the reported metric tons of methane emissions that exceed 0.05 percent of the **natural gas** sent to sale from or through a covered facility. It is clear that the legislative text prescribes that the waste charge is to be based on total natural gas and not just on the methane portion of the natural gas. GPA notes this distinction because other methane intensity protocols are based on methane throughput, but the legislation is clear that throughput is to be based on total natural gas.

10. Throughput should align with an appropriate interpretation of "a facility"

"A facility" within the context of the IRA should align with an appropriate interpretation of a facility (not the equipment-level "affected facility" used in OOOOb/c, nor the basin-level "facility" used in Subpart W). Throughput should similarly be based on discrete sites (i.e., each gathering and boosting compressor station). Any other interpretation would result in arbitrary treatment among industry segments and would lead to significant uncertainty as operators attempt to parse out what exactly is and is not a "facility" and how to correctly assess facility throughput. To address this potential confusion, EPA should revise Subpart W throughput reporting elements for gathering and boosting to allow reporters to reflect true facility throughput and define "facility" as explained below.

If EPA utilizes existing regulatory definitions to define a "facility," implementation of the IRA's language will be particularly challenging in that the terms "facility" and "facilities" have vastly different meanings in Subpart W and OOOOb/c, and those meanings themselves do not necessarily align with the public's understanding of what these words mean. In OOOOb/c, the "affected facility" is an individual piece of equipment (or group of equipment, like all the natural gas-driven pneumatic controllers at a gas plant). On the opposite side of the spectrum, under Subpart W, a gathering and boosting "facility" includes all gathering and boosting emission sources within a basin, which is usually a large geographic area spanning many counties and sometimes many states. Neither the OOOOb/c nor the Subpart W gathering and boosting facilities definitions are consistent with a general understanding of the word "facility." The IRA states, "the term 'applicable facility' means *a facility* within the following industry segments…." (emphasis added). GPA suggests that EPA use the simplest interpretation of the term, which is that "a facility" is a single site, and not specific pieces of equipment within that site, nor the aggregation of hundreds of sites within a geographic area. We think this is straightforward and "bridges the gap" between OOOOb/c and Subpart W.

Current Subpart W requirements address throughput differently depending on each industry segment, and this has significant ramifications for implementation of the waste charge provisions of the IRA, particularly if "facility" is not defined for purposes of the waste fee. For instance, under current Subpart W requirements, the gas through each transmission compressor station is reported on a per-transmission-compressor-station basis (98.236(aa)(4)(i)). However, Subpart W only requires reporting of volumes into and out of a gathering and boosting *basin* (98.233(aa)(10)(i)-(iv)). Reporting throughput at the gathering and boosting basin boundaries does not adequately capture "intra-basin" movement, e.g., natural gas that moves through multiple gathering and boosting compressor stations within a single basin. Since emissions generated from a facility are a function of the facility throughput, this is a significant disparity. EPA can address this disparity by modifying or adding Subpart W throughput reporting elements for gathering and boosting that allow reporters to align with other industry segments and reflect true facility throughput for assessment against the waste charge.[8]

[8] *See* GPA's comments on this matter in our comments for "Revisions and Confidentiality Determinations for Data Elements Under the Greenhouse Gas Reporting Rule," 87 Fed. Reg. 36,920 (June 21, 2022), Docket ID No. EPA-HQ-OAR-2019-0424.

11. Special consideration should be given to natural gas liquid fractionation plant throughput and/or emissions

Under Subpart W, natural gas liquid ("NGL") fractionation plants (which solely fractionate NGL) are required to report methane emissions as "onshore natural gas processing facilities," but NGL fractionation plants do not process natural gas and therefore have no natural gas throughput. The facilities receive bulk NGLs (C2+ mixture) and fractionate them into separate NGL products (C2, C3, C4, C5+). Methane emissions at these facilities primarily come from fuel gas system fugitive leaks and stationary combustion emissions. The statute bases the waste fee on natural gas throughput, which NGL fractionation plants do not have, and so to ensure regulatory certainty, EPA should explicitly state that NGL fractionation plants are entirely excluded from the waste fee. EPA should further clarify in its final preamble that it was the intent of Congress to base the waste fee on natural gas throughput, and therefore the Agency has no discretion to apply the fee to NGL fractionation plants.

Even if EPA believes it has discretion to apply the waste fee to NGL fractionation plants, the Agency should recognize that doing so is inappropriate given the nature of these facilities. As such, EPA would need to develop an entirely different method of applying a "waste fee" threshold. Options include:

- Provide a pathway for plant NGL throughput to be converted to a natural gas throughput equivalent for calculating the waste emissions threshold; or
- Provide a pathway to allocate reported Subpart W methane emissions to each product handled by a facility (i.e., x% of emissions are associated with natural gas throughput and should be included; y% of emissions are associated with NGL throughput and can be excluded)

12. GPA offers suggestions with respect to "exemption for regulatory compliance" based on GPA's proposed interpretation of "facility" above

The IRA offers relief from charges for sources that are in compliance with standards at least as stringent as those described in the OOOOb/c preamble published November 15, 2021. The exact language is, "Charges shall not be imposed pursuant to subsection (c) on an applicability *facility* (emphasis added) that is subject to and in compliance with methane emissions requirements…." GPA offers the following considerations for implementing this exemption.

When a facility (the simple interpretation, "a single facility" (e.g., a compressor station)) is in compliance with OOOOb/c, then the methane emissions from that facility should not be subject to the waste charge. This aligns with the text of the IRA and is the most straightforward approach to implementation of the waste emissions charge.

In addition, EPA should consider that distinguishing between methane emissions that are from sources subject to, and in compliance with, OOOOb/c and those that are not may result in significant emissions accounting challenges, especially for companies with hundreds, thousands, or tens of thousands of facilities. As such, while EPA should *allow* reporters to distinguish between emissions that are exempt from charges and those that are not, EPA should not *mandate* this. In particular, if a company is below the charge threshold regardless of OOOOb/c applicability/compliance, it should not be required to undertake the substantial work of parsing out emissions subject to and exempt from the charge.

Further, GPA has concerns about which facilities will be considered "in compliance" (or not) with OOOOb/c standards. This may not be straightforward, and EPA should consider initiating a separate proceeding to solicit comment on this issue. As an initial matter, GPA supports EPA's consideration of distinguishing between "material compliance" and minor deviation. For example, if there is a minor recordkeeping deficiency, that should not render a facility in noncompliance for purposes of the waste fee exemption. As another example, if upon annual measurement of compressor rod packing emissions, the emissions are found to be greater than 2 scfm, that source should not be considered in noncompliance, particularly if the operator takes immediate corrective action. Indeed, EPA should consider a broad safe harbor for timely corrective action to avoid noncompliance and the loss of an otherwise appropriate exemption.

GPA is also concerned that the legislative "exemption for regulatory compliance" from the waste emission charge could be interpreted to exclude combustion methane slip emissions, since the proposed NSPS Subparts OOOOb and OOOOc do not address this source category. As noted above, there is currently no practical or feasible way to control these emissions. The lack of ability to seek fee relief for regulatory compliance for stationary combustion emissions is further evidence that these emissions should not be included in this fee program.

Next, GPA requests that EPA provide subject facilities with the ability to seek a "determination by the Administrator" that certain state rules are *already* at least as stringent as the proposed "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 (November 15, 2021)). In other words, operators should not have to wait until the Administrator approves OOOOc state plans, which will likely not happen for several years, to seek relief from fees on facilities that are already subject to acceptably stringent methane reduction rules.

Finally, the IRA states, "Charges shall not be imposed… upon a determination by the Administrator that… methane emissions standards and plans have been approved and are in effect in all States with respect to the applicable facilities." EPA should provide an interpretation of this language that gives as much flexibility as possible, and not punish operators for a particular state's poor performance preparing its methane reduction program. If a company operates in multiple states and only one of those states does not have approved methane standards, it would be unreasonable for EPA to refuse to exempt the company from charges for facility emissions in the states that impose such emission standards.

13. EPA should allow a pathway for fee exemption for voluntary adoption of emission standards

The IRA provides a pathway for fee exemption for regulatory compliance. EPA should allow operators to adopt compliance practices on an early or voluntary basis and provide fee relief for these operators. This is a win-win scenario that achieves early emission reductions. Allowing a pathway for early compliance also prevents subjecting operators to unnecessary fees merely because compliance standards have not been approved by EPA or are caught up in legal proceedings.

EPA should also consider whether OOOOa compliance satisfies certain aspects of the November 2021 OOOOb/c proposal and whether those OOOOa sources are potentially exempt from waste fees. In any

case, EPA must provide a pathway for these OOOOa sources (or OOOO sources, or KKK sources, or any sources) to voluntarily "trigger" OOOOb.

14. Waste charge should be based on "finalized" Subpart W data

The IRA requires basing the waste emissions charge on Subpart W reported emissions. The GHGRP reports are due to the agency by March 31 of each year. EPA then reviews the data and may ask companies to correct errors or make other changes. Companies may also provide revisions to the reported emissions after March 31. Once EPA concludes its data review, the data is "finalized" in the August timeframe, and EPA then makes the information available to the public. Although companies may make changes to previously reported emissions after this publication of the reported emissions, we encourage EPA to base the emissions fees on what has been reported to EPA by the "finalization" date. We suggest this approach to mitigate accounting challenges that could occur when historical changes are made to reported emissions (and negate the need to track either underpayments or overpayments). Alternatively, EPA could structure the payment timeline like some state emission fee programs, where fees are calculated and assessed in arrears (for example, two years in arrears). This would allow time to make material corrections to emissions prior to any fee payments. If EPA implements a payment structure that would necessitate payment adjustments, then a time limit must be established, and it must be based on the reporting year, not on when the data was most recently submitted. For example, if in 2027 EPA identifies an error in a reporting year 2024 report that necessitates a correction, the timeframe should **not** be "reset" to 2027.

15. EPA should involve stakeholders in Subpart W form testing early

Subpart W data will, for the first time, be associated with fees, and it is critical that changes are implemented with stakeholder feedback to ensure e-GGRT, Subpart W forms, and XML schema are working correctly. GPA strongly encourages EPA to provide the draft XML schema and draft revised reporting forms to reporters for review and testing. In the past, doing so has led to the identification of errors and resulted in significant improvements. Additionally, final forms and schema should be published at least 6 months prior to the due date of the first affected reports. Many midstream operators are reporting data for hundreds of assets and have thus developed automated processes for populating forms and/or schema, which will need to be updated to reflect any changes EPA proposes. Additionally, because fees (and possibly SEC reporting) will now be tethered to this data, reporters need time to implement repeatable and auditable reporting processes. In the past, EPA has often not released schema until late January (mere weeks before the reporting deadline), and this has compounded challenges during the demanding annual reporting process.

16. EPA should prioritize engagement and flexibility

EPA asks a number of questions related to the IRA's incentives program provisions. GPA does not address all of those questions in these comments but does believe it is appropriate to respond to EPA's request for information on metrics for measuring success and ensuring accountability of the waste fee program.

EPA should not adopt inflexible measures for assessing success or ensuring accountability at this stage. The agency has never before implemented a waste emissions fee program for methane for the natural

gas industry. The IRA program differs in many fundamental ways from other Clean Air Act programs. Creation of this waste fee program is a new and unique one for EPA: as such, especially in early years of the program, EPA should adopt policies that encourage engagement with the agency rather than a punitive approach while initial implementation of the program and complex issues of first impression are decided and addressed.

Accordingly, success and accountability can best be addressed through transparency in emissions reported and fees assessed. EPA should reward companies for their involvement in helping the agency develop the program and consider adopting an approach that allows for flexibility in the initial years of the program with the potential for further revisions, as necessary or appropriate, based on experience with implementation. Indeed, the GHGRP already includes provisions to ensure the success of the emissions reporting requirements and the accountability of companies subject to the program's requirements. The waste fee builds on that program and can reasonably rely on its existing success and accountability measures.

GPA therefore suggests that EPA use its authority and funding under the incentives provisions of the IRA to support companies that are subject to the waste fee in their efforts to comply and implement Congress's intent for the program. Reserving additional accountability and success measures until implementation has been fully realized by EPA and its partners in the regulated community is the appropriate course of action.