

EPA Proposed “Waste Emissions Charge”

HOW IT WORKS

(Oil & Gas Production Sector)



NOTE

All onshore petroleum and natural gas production equipment associated with all wells that the entity owns or operates in the basin would be considered one “facility”.

NOTE

For oil and gas production:

If selling gas, gas volume * 0.2% emitted * 0.0192 methane density.

If only selling oil, use 10 MT of methane per 1 MMBbl, pro-rata.

NOTE

There are three instances when a facility can be exempted and not part of the calculation:

- Unreasonable delay in obtaining permitting of gathering or transmission infrastructure (i.e., “take-away” capacity). Requires meeting four criteria.
- Facility is deemed to be in compliance with all approved federal & state plans.
- Well was plugged during the year.

