

# Andrew Logan

Dear,

On behalf of the undersigned financial institutions representing more than \$2 trillion in assets under management or advisement, we appreciate the opportunity to provide the attached letter as input for rule project number 2024-027-113-AI, which encourages states and Tribes with significant oil and gas production to develop, implement and enforce plans that meet or exceed EPA's federal methane standards to substantially reduce methane emissions stemming from the U.S. oil and gas sector.

Investors are encouraged that the State is reminding operators to comply with new EPA requirements and urge you to move swiftly in implementing EPA's standards for existing sources.

With decisive, bold, and rapid action on methane emissions, Texas can promote responsible stewardship of resources, minimize financial risks, and help the American oil and gas industry become cleaner and remain competitive.

We appreciate your time and consideration of these comments and look forward to continued engagement on this important issue.

Best regards,

Andrew Logan on behalf of the undersigned financial institutions

Adrian Dominican Sisters, Portfolio Advisory Board

Aequo

AP7 (Sjunde AP-fonden)

Bon Secours Mercy Health

British Columbia Investment Management Corporation (BCI)

British Columbia Municipal Pension Plan

Church Investment Group

CommonSpirit Health

Congregation of St. Joesph

Daughters of Charity, Province of St. Louise

Everence and the Praxis Mutual Funds

Figure 8 Investment Strategies

Green Century Capital Management

JLens

KBI Global Investors

Legal and General Investment Management

Maryland State Retirement and Pension System

Mercy Investment Services, Inc.

Miller/Howard Investments, Inc.

NEI Investments

Nia Impact capital

Nugent Properties

Promethos Capital LLC

Providence St. Joseph Health  
Public Service Pension Board of Trustees  
Region VI Coalition for Responsible Investment  
Sampension  
Seventh Generation Interfaith, Inc.  
Sisters of St. Francis of Philadelphia  
Sisters of the Humility of Mary  
Socially Responsible Investment Coalition  
The Seva Foundation  
Trinity Health  
Tulipshare Capital LLC  
Wespath Benefits and Investments

## Call for Effective Methane Regulation for the Oil and Gas Industry

We, the undersigned financial institutions representing more than \$2 trillion in assets under management or advisement, encourage states and Tribes to develop, implement, and enforce plans that meet or exceed the Environmental Protection Agency's (EPA) federal methane standard to substantially reduce methane emissions from the U.S. oil and gas sector. As prudent fiduciaries, we believe virtually eliminating methane emissions supports the financial goals of many companies and investors.

In addition to posing significant risks to the economy and financial system overall, climate change poses legal, reputational, and market risks to traditional energy companies and their investors. Methane emissions from oil and gas infrastructure represent wasted natural resources, health and safety risks, and a failure to monetize a central product in the oil and gas value chain.

Addressing methane emissions is one of the fastest, most cost-effective means of limiting climate change, and the oil and gas industry has readily available, cost-effective solutions to significantly cut pollution. In fact, according to the International Energy Agency, around 50% of the sector's methane emissions can be reduced at no net cost.<sup>i</sup> Additionally, swift implementation of EPA's standard will reduce oil and gas operator liability under the Methane Emission Reduction Program's Waste Emissions Charge through the regulatory compliance exemption.<sup>ii</sup>

In addition to reducing emissions and their associated risks, investing in methane detection and mitigation boosts energy security, and creates jobs, stimulating local economies. The methane mitigation industry is a multi-million-dollar industry that employs thousands of people across the country, and it is posed to grow with strong methane regulations in place.<sup>iii</sup>

While we recognize voluntary efforts from leading companies, including those that have joined the Oil and Gas Methane Partnership 2.0 (which the investment community has broadly supported and encouraged<sup>iv</sup>), comprehensive and effective regulations are essential to build stakeholder confidence, provide long-term certainty, and help companies and investors manage climate-related risks and opportunities.

EPA's methane standard enjoys a broad array of support from diverse stakeholders including public health,<sup>v</sup> conservation,<sup>vi</sup> taxpayers,<sup>vii</sup> faith-based groups,<sup>viii</sup> oil and gas companies,<sup>ix</sup> and financial institutions.<sup>x</sup> Further, as energy customers, investors and regulators around the world increasingly demand cleaner energy, failure to cut methane emissions could damage American companies' competitive access to global markets at a time when exports play an important role in the U.S. economy and to the energy industry.<sup>xi</sup> This has been recently illustrated by the adoption of the EU methane regulation, which will reduce energy sector methane emissions in Europe, as well as those from its fossil fuel imports.<sup>xii</sup>

With decisive, bold, and rapid action on methane emissions, states and Tribes can promote responsible stewardship of resources, minimize financial risks, and help the American oil and gas industry become cleaner and remain competitive.

We encourage and welcome the development, implementation, and enforcement of robust plans that meet or exceed federal requirements.

Signed,

Adrian Dominican Sisters, Portfolio Advisory Board  
Aequo  
AP7 (Sjunde AP-fonden)  
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British Columbia Investment Management Corporation (BCI)  
British Columbia Municipal Pension Plan  
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Trinity Health  
Tulipshare Capital LLC  
Wespath Benefits and Investments

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<sup>i</sup> International Energy Agency, Global Methane Tracker 2024, <https://www.iea.org/reports/global-methane-tracker-2024/key-findings>

<sup>ii</sup> Environmental Protection Agency, Fact Sheet – Proposed Rule: Waste Emissions Charge for Petroleum and Natural Gas Systems, [https://www.epa.gov/system/files/documents/2024-01/wec\\_factsheet.pdf](https://www.epa.gov/system/files/documents/2024-01/wec_factsheet.pdf)

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- <sup>iii</sup> Datu Research, Today’s technologies can slash methane emissions from the oil and gas industry <https://www.daturesearch.com/methane-mitigation>, Methane Emission Leadership Alliance, <https://www.methanealliance.com/>
- <sup>iv</sup> E.g., Climate Action 100+, Investors welcome Petrobras’ signing of the UN Oil and Gas Methane Partnership, <https://www.climateaction100.org/news/investors-welcome-petrobras-signing-of-the-un-oil-and-gas-methane-partnership/>, United Nations Environment Program, Net-Zero Asset Owner Alliance calls on companies and data providers to provide critical sector data, <https://www.unepfi.org/industries/net-zero-asset-owner-alliance-call-to-companies-and-data-providers-for-critical-sector-data-on-key-performance-indicators/>
- <sup>v</sup> E.g., American Lung Association, Public Comments to EPA, <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-2487>
- <sup>vi</sup> E.g., League of Conservation Voters, Public Comments to EPA, <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-2470>
- <sup>vii</sup> E.g., Taxpayers for Common Sense, Public Comments to EPA, <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-2425>
- <sup>viii</sup> E.g., Interfaith Center on Corporate Responsibility (ICCR), Public Comments to EPA, <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-2287>
- <sup>ix</sup> E.g., Exxon Mobile Public Comments to EPA, <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-2388>, Chevron, Public Comments to EPA, <https://www.regulations.gov/comment/EPA-HQ-OAR-2021-0317-2176>, Denver Business Journal, New EPA methane emissions rule builds on Colorado Standards, proponents say (Occidental Petroleum), <https://www.bizjournals.com/denver/news/2023/12/04/epa-methane-emission-rule.html>, LinkedIn, PureWest Energy post, [https://www.linkedin.com/posts/purewest-energy\\_as-we-reflect-on-2023-and-look-to-the-year-activity-7151594253624721409-T\\_yn/](https://www.linkedin.com/posts/purewest-energy_as-we-reflect-on-2023-and-look-to-the-year-activity-7151594253624721409-T_yn/)
- <sup>x</sup> Ceres, Major investors demand ambitious methane regulations in the U.S., <https://www.ceres.org/news-center/press-releases/major-investors-demand-ambitious-methane-regulations>
- <sup>xi</sup> Energy Information Administration, Petroleum and Other Liquids Data – Exports, [https://www.eia.gov/dnav/pet/pet\\_move\\_exp\\_dc\\_nus-z00\\_mbbldpd\\_m.htm](https://www.eia.gov/dnav/pet/pet_move_exp_dc_nus-z00_mbbldpd_m.htm)
- <sup>xii</sup> European Commission, Methane emissions, [https://energy.ec.europa.eu/topics/carbon-management-and-fossil-fuels/methane-emissions\\_en](https://energy.ec.europa.eu/topics/carbon-management-and-fossil-fuels/methane-emissions_en)