

Valentine, Velvet, EMNRD

From: Davidson, Florene, EMNRD
Sent: Friday, January 8, 2021 10:12 AM
To: Valentine, Velvet, EMNRD
Subject: FW: [EXT] Proposed Methane Rule comments

Case 21528

From: Paul Gessing <pgessing@riograndefoundation.org>
Sent: Friday, January 8, 2021 10:10 AM
To: Davidson, Florene, EMNRD <florene.davidson@state.nm.us>
Subject: [EXT] Proposed Methane Rule comments

Ms. Florene Davidson
2nd Floor, Wendell Chino Building
1220 South St. Francis Drive,
Santa Fe, New Mexico, 87505

The Rio Grande Foundation is a free market public policy think tank that works on New Mexico economic policy issues. Our mission is to increase our State's economic prosperity by freeing New Mexicans from policies that hinder economic prosperity. We are based in Albuquerque.

Historically, the private sector as an active participant in reducing environmental waste. This is not just true in New Mexico's oil and gas industry, but is true throughout the economy as automobiles and factories are designed and built to minimize waste and maximize environmental protections.

For example, Recent data from the EPA determined that while oil and gas production has increased by 125% since 2011, methane emissions intensity declined 57% over that same period. This proves we can reduce emissions and expand production at the same time.

Of course it is worth noting that the oil and gas is New Mexico's most critical private sector industry. In years past it has funded 40% of the State budget and in 2020 despite profound global challenges the industry directly funded approximately 1/3rd of the State budget. Oil and natural gas is responsible for more than 134,000 New Mexico jobs and \$17 billion in economic activity.

So, regulation intended to help the environment cannot destroy the industry. In their current form, we believe the rules proposed achieve this balance. The final rules must continue to preserve this balance.

The 98% gas capture requirement is ambitious and challenging, preserves the desire the implement a nationally leading rule, and can be achieved if the appropriate flexibilities are

provided. The industry has been a partner and has strong incentives to reduce wasteful emissions.

Through efforts like NMOGA's Methane Mitigation Roadmap and Flaring in the Oilfield, producers are working together to provide policy recommendations and share best practices. Oil and natural gas producers are already investing and developing advanced technologies to limit emissions and reduce the environmental footprint of production. These regulations will further that cause.

Sincerely,

Paul J. Gessing
President
Rio Grande Foundation
400 Gold Street, SW #909
Albuquerque, NM 87102