

**To:** Jackson, Ryan[jackson.ryan@epa.gov]  
**From:** Bloomberg BNA  
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**Subject:** [SPAM] May 25 -- Energy and Climate Report - Afternoon Briefing



## **Energy and Climate Report**

### **Afternoon Briefing - Your Preview of Today's News**

The following news provides a snapshot of what Bloomberg BNA is working on today. Read the full version of all the stories in the final issue, published each night.

#### **White House Reviewing Plan to Pause Methane Rule**

*Posted May 25, 2017, 10:11 A.M. ET*

*By [David Schultz](#)*

The White House is reviewing an EPA plan to pause implementation of an Obama administration rule designed to limit methane emissions from oil and gas wells, according to the Office of Management and Budget [website](#).

EPA Administrator Scott Pruitt [announced](#) last month that he wanted to pause the standards before June, when a new set of compliance deadlines on the oil and gas industry would take effect. The regulation, one of the centerpieces of the Obama administration's climate policy, requires operators of new or modified wells to significantly boost their monitoring for leaking methane, a potent greenhouse gas.

The Trump administration has moved to halt implementation of many Obama-era environmental regulations, including regulations on methane emissions from landfills.

#### **Colorado May Shut Down Wells If Oil, Gas Companies Miss Deadlines**

*Posted May 25, 2017, 02:55 P.M. ET*

*By [Tripp Baltz](#)*

The Colorado Oil and Gas Conservation Commission could order the shutdown of any oil and gas well if those wells' operators fail to meet upcoming deadlines to check certain pipelines.

Commission director Matt Lepore warned producers that shutdowns could apply to wells connected to underground flowlines covered by a notice to operators sent after a fatal home explosion last month in Firestone, Colo., Todd Hartman, spokesman for the state Department of Natural Resources, told Bloomberg BNA May 25.

The notice directs operators to inspect flowlines by May 30 and pressure test them for leaks by June 30, Hartman said. Frederick-Firestone Fire Protection investigators identified odorless, colorless natural gas leaking from a severed 1-inch flowline that ran six feet from the destroyed home as the cause of the April 17 explosion and fire that killed two men and left a woman critically injured.

## **Inspect and Test**

Following that determination, the commission, at the direction of Colorado Gov. John Hickenlooper (D), ordered oil and gas companies to inspect any existing flowlines and pipelines located within 1,000 feet of an occupied building including homes, schools, and hospitals, by May 30. The order requires operators to ensure integrity of such pipelines by pressure testing them by June 30.

The flowline implicated in the Firestone explosion was technically “abandoned”—a term which means it had previously been taken out of service—but had not been properly disconnected from the wellhead and capped as required by a commission rule (Rule 1103). The line was not in use in 2016, but natural gas began flowing through it again in January 2017.

Anadarko Petroleum Co. was the owner and operator of the flowline at the time of the incident. The previous owner was Noble Energy Inc. It remains unknown how the line was severed.

Anadarko officials didn't immediately respond to Bloomberg BNA's request for comment.

## **Capped and Sealed**

Two additional requirements are included in the notice to operators. Companies are required by May 30 to inspect all existing flowlines and pipelines, regardless of their distance from an occupied building, that have been abandoned under Rule 1103.

Flowline or pipeline risers—the portion of a line that juts out from the ground—must be clearly marked using fluorescent paint, have all operating valves removed, be sealed, and be capped so they are cut off below the ground.

By June 30 operators must complete abandonment of any flowline or pipeline not actively operated regardless of distance from an occupied building and regardless of when it was taken out of service, the commission said.

## **Group of Exxon Investors to Back Climate Change Plan Board Opposes**

*Posted May 25, 2017, 02:02 P.M. ET*

*By Emily Chasan*

Almost 90 Exxon Mobil Corp. investors plan to back a proposal that would pressure the company to bolster its disclosure of climate change risks and opportunities.

The shareholders include the New York state and city pension funds and the California Public Employees' Retirement System, according to data compiled by investor advocacy group Ceres. Vanguard Group is considering voting for the proposal, Glenn Booraem, the firm's investment stewardship officer, said in a May 25 email.

The proposal will be taken up at Exxon's annual meeting on May 31 in Dallas.

Environmentally focused shareholders are stepping up efforts to pressure companies on climate issues.

A similar proposal at Exxon last year received about 38 percent support, the highest ever for a climate vote at the company. Comparable initiatives at Occidental Petroleum Corp. and PPL Corp. received majority support over management objections. BlackRock Inc., the world's largest asset manager, supported the proposal at Occidental.

BlackRock hasn't yet decided on its Exxon vote, Zach Oleksiuk, head of Americas for BlackRock Investment Stewardship, said in an email May 25.

Exxon opposes the proposal. Scott Silvestri, an Exxon spokesman, declined to comment further.

The shareholder move seeks to push Exxon to publish an annual assessment on how the 2 degree Celsius global warming reduction target set by the Paris Agreement will affect its portfolio long term.

Exxon is "really out of step with their peers around the world," said Sue Reid, vice president of climate and energy at Ceres.

Proxy advisory firms Institutional Shareholder Services and Glass Lewis & Co. are recommending shareholders override management and support the proposal.

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Energy and Climate Report