



## NEWS RELEASE

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## Emerging U.S. Methane Mitigation Industry Stimulates Growth in Local Economies

*Employs tens of thousands of Americans who build, sell, and service methane controls for the oil and gas industry—saving \$1.8 billion annually in wasted product*

(WASHINGTON, D.C. – Oct. 2, 2014) A new report suggests that the nation’s growing methane mitigation industry can boost economic development in key energy states and help reduce oil and gas air pollution, according to the Environmental Defense Fund. As the federal government considers standards to limit methane emissions from oil and gas operations, the demand for this equipment and services is expected to rise. A report from the consultancy ICF International indicated methane emissions will increase at least 5 percent from now through 2018 absent industry-wide adoption of new control measures.

EDF released an economic analysis today, conducted by Datu Research and entitled “The Emerging U.S. Methane Mitigation Industry,” which assessed the current market landscape for companies providing solutions to reduce methane emissions from oil and gas operations. The report identified 76 companies nationwide – more than half small businesses – that manufacture methane controls or offer related services from over 500 different locations across 46 states. Ten states had the highest concentration of facilities: Texas, Oklahoma, Colorado, Pennsylvania, Louisiana, California, Wyoming, Illinois, Ohio and New Mexico. These states stand to gain the most from future growth associated with this industry.

Unburned natural gas is primarily methane, both a powerful greenhouse gas and a valuable product. Many companies have effectively developed technologies and services that capture these emissions from oil and gas systems, according to the Datu report. Increased use of these available solutions can create new, well-paying American jobs for skilled workers, save industry over \$1 billion in lost product and reduce air pollution. The burgeoning industry is also helping to revitalize manufacturing in states such as Texas, Oklahoma and Pennsylvania.

“This report clearly shows an industry that has the capability to help reduce methane emissions and, with the right policies in place, also has the room to grow,” said Mark Brownstein, associate vice president and chief counsel for Environmental Defense Fund. “These companies offer

opportunities for the oil and gas industry to increase operational efficiencies, improve public and worker safety and reduce air and methane pollution. It's a win-win proposition made even better, when you consider that this industry can support more good-paying U.S. jobs that largely can't be outsourced."

Concern around methane emissions is growing as domestic exploration expands. The oil and gas sector is the nation's second largest industrial source of climate pollution—about 25 percent of today's manmade global warming is caused by methane emissions, according to IPCC data. EPA estimates oil and gas operations emit 7.7 million metric tons of methane per year, equal to \$1.8 billion in lost company revenue based on the average price of natural gas over the last year. Yet, reports show that cutting those emissions by at least 40 percent is possible for just one penny per thousand cubic feet of gas produced.

Greater state and federal oversight is needed to limit methane emissions from the oil and gas sector. Colorado adopted the nation's first air pollution rules that require oil and gas companies to control both emissions of methane and smog-forming VOCs (volatile organic compounds). The rules, supported by energy companies and environmentalists, reduce nearly 200,000 tons of methane and VOCs each year—equal to the amount produced by all the cars and trucks in Colorado. Colorado's rules are a model for smart policy with clear economic, environmental and health benefits.

"Finalizing methane rules and regulations across the country will naturally make it much easier for companies to make the right decisions on acquiring the technology that can help them monitor and control emissions most efficiently and cost-effectively," says Brent Lammert, FLIR's Vice President of Sales, US Thermography. "FLIR believes we have the best products to help people find large leaks quickly, protect the environment and reduce costs to producers."

The full report, *The Emerging U.S. Methane Mitigation Industry*, including an interactive map of all facilities listed in the report can be found at <http://edf.org/methanejobs>.

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