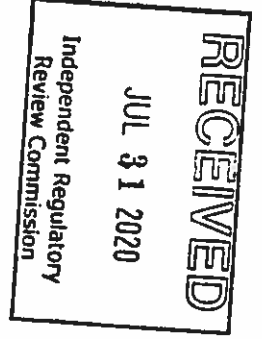


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Testimony for Control of VOC Emissions from Oil and Natural Gas Sources  
Pennsylvania Department of Environmental Protection  
June 24, 2020

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Good afternoon and thank you to the Department for the opportunity to provide comments today on the proposed rules. My name is Jeff Perkins and I am a resident of Montgomery County, PA. I represent Friends Fiduciary Corporation as its Executive Director. Headquartered in Philadelphia, Friends Fiduciary is a faith-based socially responsible investment firm. We invest over \$0.5 billion dollars on behalf of Quaker faith communities and other organizations in Pennsylvania and across the country. We invest in consistent with the Quaker values of peace, integrity, equality, community, and care for creation.

At Friends Fiduciary, we see climate risk as the most serious systemic threat to our economy and society. For this reason, we are glad to see the proposed rules addressing methane emissions, as one step towards mitigating climate change. Methane is 84 times more potent than CO<sub>2</sub>, as a greenhouse gas and is estimated to account for 25% of the global warming we're experiencing today.

As the second largest producer of natural gas, it is critical that Pennsylvania take the threat of climate change seriously. Recent analysis from the Environmental Defense Fund shows that methane emissions in Pennsylvania are even worse than we thought—in fact actual emissions were found to be 16 times greater than the emissions reported to the state.

While the proposed rules are a step in the right direction, we believe that they don't go far enough. As currently proposed, they would only reduce a small percent of the total methane currently emitted. Therefore, I ask you to consider strengthening the rules with two commonsense measures: 1. Extend the regulations to lower producing wells which are currently getting a pass; these well are estimated to account for over half of our state's methane emissions and 2. Require a regular leak detection schedule to discover and address leaks when they do occur.

So why am I, a businessperson and investor, taking time to give testimony on this issue today? I'm here because in addition to the environmental and public health arguments for methane regulation there is also a compelling business case for stronger methane regulation. Methane that is emitted is essentially lost product that companies could be selling—so methane emissions directly translate to lower profits. The International Energy Agency has estimated that oil and gas companies can reduce a third of methane emissions at no net cost, even at today's low prices. Over the past several years, we at Friends Fiduciary, along with other investors have directly engaged oil and gas companies in our portfolios to make this business case for voluntary methane mitigation. And leading companies have come to recognize the business case for doing so and these companies have taken measures to reduce emissions.

However, some companies are not following best practices and they put the entire industry's social license to operate at risk. Natural gas is a viable bridge fuel only if methane emissions are controlled. With stronger rules Pennsylvania could move into a leadership position on this issue, thereby strengthening Pennsylvania's economy. That's because industries and states that can demonstrate their competitive advantage in a low-carbon economy will be better positioned for success as investors and consumers reward those demonstrating leadership on climate change.

As an investment business based in Pennsylvania, with a significant number of clients in Pennsylvania, we at Friends Fiduciary believe that these rules are a step in the right direction and with the suggested changes to further strengthen the rules, would not only be cost effective for companies but also protect the long term health of our communities and further strengthen our state's economy. Thank you for your consideration of our testimony.