

**EMBARGOED UNTIL 10AM ET THURSDAY, JULY 9**

## **50 investors with US \$4 trillion in assets back strong methane emissions regulation in Pennsylvania**

***Call on oil and gas companies operating in the Commonwealth to support proposal to cut emissions by 75,000 tons per year, reduce air pollution and capture lost fuel.***

**July 9, 2020** – Today, a group of 50 institutional investors representing US \$4 trillion in assets under management issued a [statement of support](#) for a strong final regulation to reduce air pollution and methane emissions proposed by the Pennsylvania Department of Environmental Protection (DEP).

Among the investor signatories are the **Pennsylvania Office of the State Treasurer** and firms in the state, such as **Friends Fiduciary Corporation and Mercy Investment Services**, along with major U.S. pension funds and international asset managers.

According to the statement:

*“While addressing the public health and economic impacts of COVID-19 remains paramount at this time, we welcome DEP’s continued efforts to cut waste and mitigate climate change—another impending public health and economic challenge—by reducing methane emissions from oil and gas operations. In fact, today’s current public health crisis makes smart, cost-effective policies to cut air pollution and protect our climate even more important.”*

The statement was organized by Ceres and the Interfaith Center on Corporate Responsibility. It was signed by investors engaging portfolio oil and gas companies on issues related to climate change and the public health impacts of air pollution.

The investors are calling on the Pennsylvania oil and gas companies they own to support a proposed strong final rule— 25 PA. CODE CHS. 121 and 129—which would require oil and gas operators to identify and fix leaks. The proposed rule would cut volatile organic compounds (VOCs) by more than 4,400 tons per year and methane emissions by more than 75,000 tons per year.

*“Climate change is the single biggest threat to the future of our planet. Our public health, our oceans, and our lands depend on our ability to combat this – sooner rather than later,” said **Pennsylvania State Treasurer Joe Torsella**. “We must protect the air we breathe, and hold to account companies who are shirking that responsibility and threatening long-term shareholder value for Pennsylvania taxpayers. Pennsylvania, the second largest producer of natural gas, is in a unique position to lead the nation in strong, responsible standards for the industry to follow.”*

Recent analysis from the Environmental Defense Fund has found that Pennsylvania’s oil and gas companies are emitting over 1.1 million tons of methane annually, more than 16 times what is reported to the state. The investors say without a level playing field the poorest performers will shape the public narrative on natural gas, overshadowing the proactive measures taken by industry leaders. As the second largest producer of natural gas in the country, they believe Pennsylvania plays a key role in setting leading standards that encourage the industry to conduct business more responsibly.

*“As Pennsylvania’s oil and gas industry experiences strong production and looks to increase export levels, strong methane standards support global competitiveness in a world with increasingly stringent climate policies and corporate supply chain emissions-reduction goals,” the investors added.*

While the investors believe regulating methane emissions from existing oil and gas sources is the right course of action, they say the draft should be improved in two ways:

- First, it should be extended to include low-producing wells, which account for more than half of Pennsylvania’s oil and gas-related methane emissions;
- Second, it should maintain a quarterly frequency of leak detection and repair inspections, as research has shown that increasing the frequency of inspections can greatly reduce leaks at a reasonable cost.

At a June 24 hearing on the proposed regulations at the DEP, investor signatories headquartered in the Commonwealth [offered their testimony](#) in support of stronger statewide standards to curb emissions.

*“We have directly engaged oil and gas companies in our portfolios to make the business case for voluntary methane mitigation,” said **Jeff Perkins, Executive Director of Friends Fiduciary Corporation**, headquartered in Philadelphia. “Leading companies have come to recognize the business case for doing so and these companies have taken measures to reduce emissions. However, some companies in our state 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.”*

DEP’s proposed VOC and methane regulation is open for public comment through July 27.

**About Ceres:**

*Ceres is a sustainability nonprofit organization working with the most influential investors and companies to build leadership and drive solutions throughout the economy. Through powerful networks and advocacy, Ceres tackles the world’s biggest sustainability challenges, including climate change, water scarcity and pollution, and inequitable workplaces. For more information, visit: [www.ceres.org](http://www.ceres.org) and follow @CeresNews.*

**About the Interfaith Center on Corporate Responsibility (ICCR):**

*Celebrating its 49th year, ICCR is the pioneer coalition of shareholder advocates who view the management of their investments as a catalyst for social change. Its 300-member organizations comprise faith communities, socially responsible asset managers, unions, pensions, NGOs and other socially responsible investors with combined assets of over \$500 billion. ICCR members engage hundreds of corporations annually in an effort to foster greater corporate accountability. [www.iccr.org](http://www.iccr.org)*

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