



April 20, 2023

F. Jonathan Rice
Department of Natural Resources
Office of Conservation, Environmental Division
617 North Third Street, Room 874-D
Baton Rouge, La 701802

In re: Docket No. **R.A. 2023-13**; La. Register Vol 49, No.3: No. 29-B LAC 43:XIX, Subpart I, Ch 35.

Dear Mr. Rice, and interested parties.

La. Budget Project appreciates the opportunity to comment on the Department of Natural Resources Office of Conservation proposal to restrict the venting and flaring of natural gas from wells and amend Louisiana Administrative Code 43:XIX, Subpart 1 Chapter 35.

We understand the draft proposed regulatory amendment is intended to prohibit routine venting and flaring of natural gas “during drilling, completion or production operations from any wells producing in the state of Louisiana” except as authorized by certain conditions.

Venting and flaring of natural gas is not only wasteful from a fiscal perspective, but harmful to the environment and public health.

Analysis from Synapse Energy Economics estimates that in 2019, fossil fuel producers in Louisiana wasted 5.2 billion cubic feet of gas — \$16 million of product — through venting and flaring alone. That is enough natural gas to supply almost every household in New Orleans for a year. Lost revenue from vented and flared natural gas cost the state an estimated \$710,000 in lost taxes and royalties, which is money that could fund teacher’s retirement, rainy day funds, and coastal restoration projects among other initiatives.

Unnecessary venting and flaring also releases methane gas into the atmosphere, which is a powerful greenhouse gas that is 80 times the global-warming effects of carbon dioxide in the short term.

Capturing natural gas from wells can deliver more product to market, translating to more revenue for the state. It can also be used on-site for power generation and fuel cell production. These alternatives to flaring and venting can increase revenues, reduce climate and air pollution, and create a more responsible and competitive energy sector.

The Louisiana Budget Project commends the statewide rule-making process to reduce energy waste and protect Louisiana's public health. We likewise commend the Governor Jon Bel Edwards Administration's commitment to managing its oil and gas industry as part of its 2022 Climate Action Plan.

As advocates for budgetary discipline, we urge the administration to move forward on this new rule that is the common standard in other oil and gas producing states. And we urge policymakers to prioritize this issue, and ensure that necessary funds are allocated to implement and enforce it effectively.

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