

Oil and Gas Beta Projections Approach

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This is a short summary of the beta projections approach for the oil and gas sector. The approach is broken into the following steps.

1. Development of the 2016 base year.
2. Organization of point and area sources into simple clusters for different projection approaches.
3. Application of appropriate future year projection factors.

1. Development of the 2016 base year

Area oil and gas sources – the default approach is to use the updated Nonpoint Oil and Gas Emissions Estimation Tool. S/L/Ts that prefer a different approach should contact Jeff Vukovich and Jennifer Snyder.

Point sources – the default will be to use all point source emissions data submitted in 2016. For point sources *not* submitted in 2016, the default will be to grow the sources from the 2014 NEI Version 2. Growth factors will depend on SCCs. An Excel spreadsheet with growth factors by SCC is attached. It should be noted that these growth factors are based on historical production data. Future year projection factors (discussed below) are based on Energy Information Administration (EIA) Annual Energy Outlook (AEO) forecasts.

2. Organization of point and area sources into simple clusters for different projection approaches

For the simple beta approach, area and point SCCs will be organized into the following categories.

Simple Beta Platform Projections Approach

Industry Segment	SCC Clusters	NAICS for Point Sources	Area SCCs	Default Approach	Alternative More Conservative Approach
Exploration	1-5	213111, 211111, 211112, 213112	National Emissions Tool SCCs or State E&P Approach	AEO Reference Case	AEO High Oil and Gas
Production				AEO Reference Case	AEO High Oil and Gas
Gathering				AEO Reference Case	AEO High Oil and Gas
Processing				AEO Reference Case	AEO High Oil and Gas
Storage	6-7	486110, 486210, 424710	Not applicable	No growth	AEO Reference
Transmission			Not applicable	No growth	AEO Reference
Distribution	8	221210	Not Applicable	No growth	Population Trends

The table shows 6 digit NAICS codes, but the shortened codes should follow suit.

3. Application of appropriate future year projection factors

The 2016 base year emissions will be grown using the approach shown in the table. Future year projection factors are based on AEO production projections for the future year in question. If an S/L/T prefers a different approach, they should contact Jeff Vukovich and Jennifer Snyder. Due to time constraints, the default approach (AEO Reference Case or no growth) may be the only approach available for the beta projections.