

# Managing Fugitive Methane Emissions in Inactive Oil and Gas Wells:

## Policy Diffusion Opportunities in Canada's Petrol Provinces

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SSM1100

Recent policy developments have been directed toward reducing methane emissions in active oil and gas infrastructure across Canada. However, regulations in the largest petrol-producing provinces—British Columbia, Alberta, and Saskatchewan—often exempt inactive facilities. Past studies have shown that fugitive emissions from inactive wells are largely underestimated and under-regulated; policy diffusion is a mechanism by which policymakers can close these gaps.

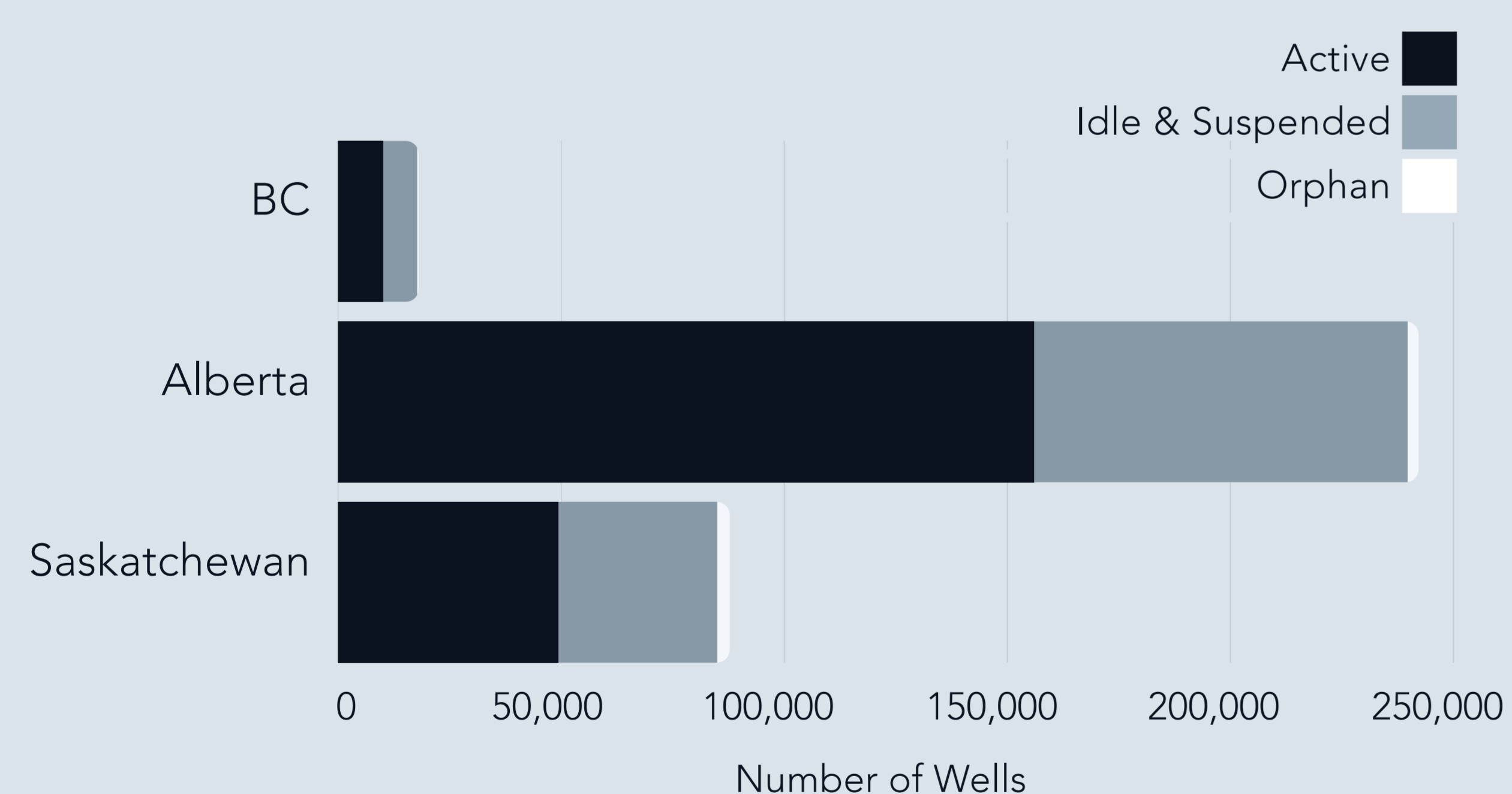
**Research Question:** To what extent do regulations in BC, Alberta, and Saskatchewan address fugitive methane emissions in inactive oil and gas wells? *Sub Question:* Which method(s) of policy diffusion could help close identified gaps?

### Background

- Methane makes up 13% of Canada's GHG emissions, 40% of which comes from the oil and gas sector<sup>1</sup>
- The national GHG inventory underestimated annual methane emissions from abandoned wells by 150%<sup>2</sup>
- Federal regulations targeting methane release in the upstream oil and gas sector apply only to facilities producing or receiving more than 60,000 m<sup>3</sup> of oil or gas annually

### Current Snapshot

38% of reported wells in Western Canada are currently inactive.



- Emission factors from past studies have broadly ranged from 0.002 g/h to 29.17 g/h for inactive wells<sup>2,3</sup>
- There are approximately 130,000 inactive, suspended, and orphan wells currently listed in provincial reports
- Based on these findings, annual emissions in Western Canada could amount to up to 846,057 t CO<sub>2</sub>e

### Methods

The policy analysis compared current regulations in each province to best practices using two metrics:

#### Decommissioning Timelines (Fig. 1)

- Period a well can remain idle
- Period a well can remain suspended
- Mechanisms in place to identify priority wells

#### Leak Detection and Repair (LDAR)

- Required monitoring frequency
- Repair Requirements/Thresholds
- New technology allowances in LDAR.

To identify policy adoption routes to close regulatory gaps, four mechanisms of diffusion were considered: *competition, learning, construction, and coercion*<sup>4</sup>.

### Findings & Conclusion

- Alberta and Saskatchewan can—through policy learning—look to BC and neighbouring states for more stringent decommissioning timeline regulations.
- Policy construction is a common method of diffusion evidenced by cross-jurisdictional groups such as the Interstate Oil and Gas Compact Commission<sup>5</sup>.
- LDAR requirements can be imposed coercively through CEPA. Canada's proposed new regulatory framework will expand current requirements to non-producing assets<sup>6</sup>; the provinces will likely enter equivalency agreements.
- Further studies are required to quantify emissions from unreported assets and assess current compliance within the industry.

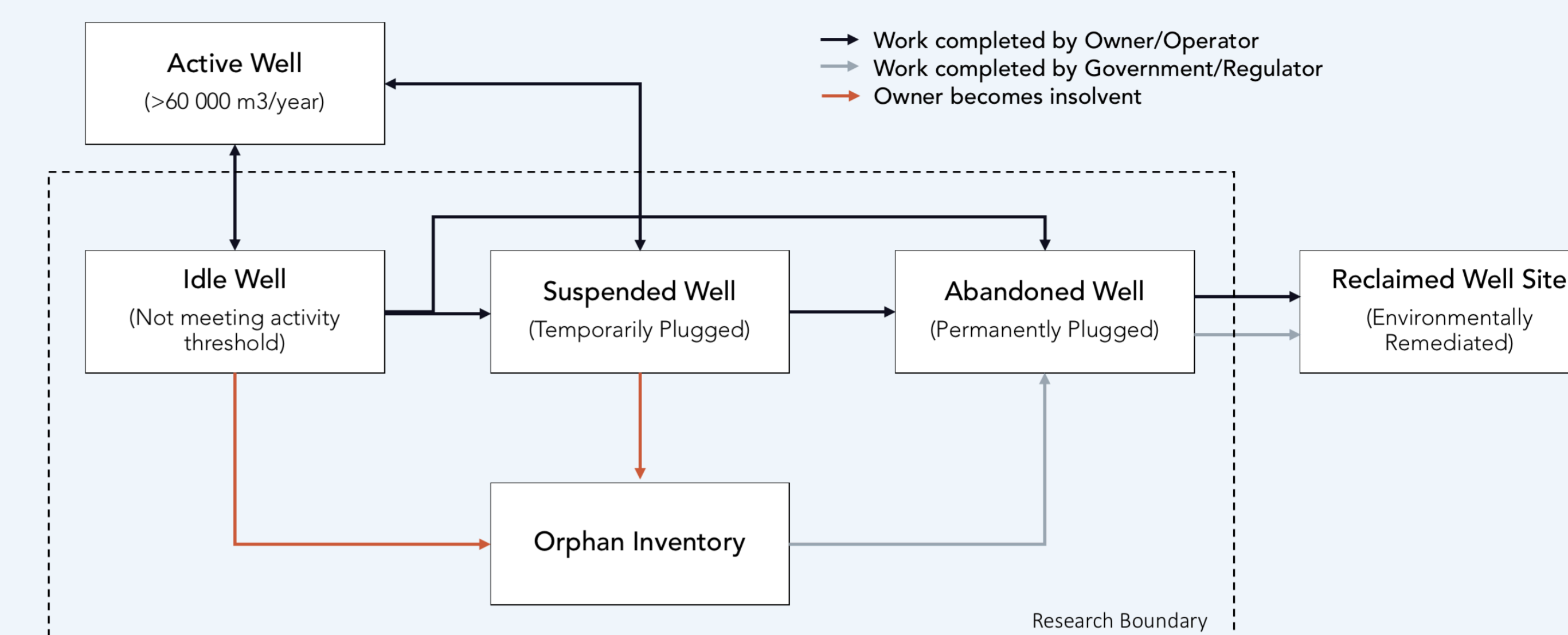


Figure 1. Process flow diagram of a well lifecycle

### Analysis

Best Practices ■  
Needs Improvement/In Progress ■  
Severely Lacking/Absent ■

#### Decommissioning Timelines

Regulations for decommissioning timelines increase in stringency from East to West: Saskatchewan and Alberta allow indefinite suspension for inactive wells; BC is aligned with best practices

|              | Temporary Plugging            | Permanent Abandonment         | Priority Assignment           |
|--------------|-------------------------------|-------------------------------|-------------------------------|
| BC           | Best Practices                | Best Practices                | Best Practices                |
| Alberta      | Needs Improvement/In Progress | Needs Improvement/In Progress | Needs Improvement/In Progress |
| Saskatchewan | Severely Lacking/Absent       | Severely Lacking/Absent       | Severely Lacking/Absent       |

#### Leak Detection and Repair

LDAR best practices include three screenings per year. BC and Alberta require pressure tests every 1-5 years for suspended wells; Saskatchewan has no inactive monitoring requirements.

|              | Monitoring Frequency          | Repair Requirements           | Technology Allowance          |
|--------------|-------------------------------|-------------------------------|-------------------------------|
| BC           | Needs Improvement/In Progress | Best Practices                | Needs Improvement/In Progress |
| Alberta      | Needs Improvement/In Progress | Needs Improvement/In Progress | Best Practices                |
| Saskatchewan | Severely Lacking/Absent       | Best Practices                | Needs Improvement/In Progress |

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