



# CASE STUDY

## Environmental Case Study

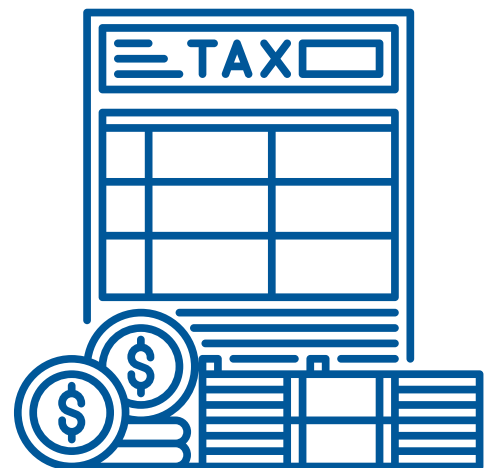
**IPT Analyses Emissions to Reduce Carbon Footprint and Minimize the Impact of Methane Tax**

### THE CHALLENGE & APPROACH

With the Inflation Reduction Act methane tax looming over the oil and gas industry, clients are challenged with reducing their methane emissions to reduce the possibility of paying a methane tax. In addition, clients continue to seek ways to reduce their carbon footprint. The inflation reduction act implements a methane tax fee on emissions beginning in 2025.

This tax will be \$900/metric tons of methane for the 2024 reporting year then increase to \$1200/metric ton for the 2025 reporting year.

This fee can significantly impact the bottom line of many oil and gas companies. **As such, companies potentially subject to the tax are actively seeking solutions to lower their methane emissions.**



## THE APPROACH

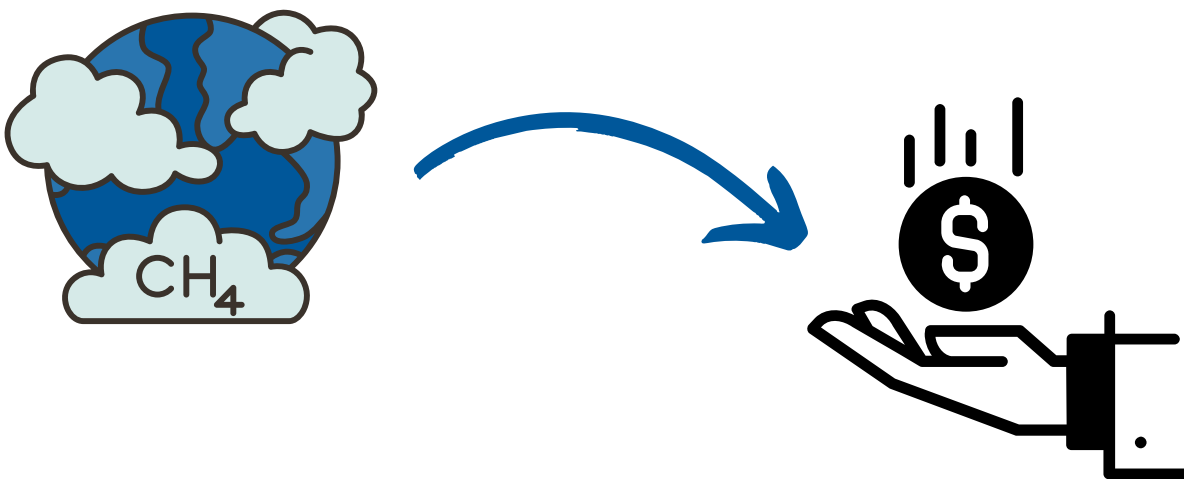
A client requested a review of their emissions associated with combustion to find emission reduction opportunities. During the study, numerous combustion sources were analyzed including combustion emissions associated with drilling and completion, compression and electrical generation.

## THE SOLUTION

EPA methodologies were used to study various combustion scenarios using different fuel sources such as diesel, propane, and natural gas for tasks such as drilling and completions, compression and electrical generation.

## THE RESULTS

After analyzing the various combustion scenarios and fuel sources, converting from diesel combustion to natural gas combustion, where possible, greatly reduced the clients' carbon footprint and methane emissions resulting in significant savings to a potential methane tax.



## ABOUT IPT ENVIRONMENTAL SOLUTIONS

IPT Environmental Solutions is an independent engineering consulting and wellsite supervision firm in business for 30 years. We serve clients in oil and gas, municipal and industrial wastewater, and carbon capture & storage.