CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

February 25, 2016

Mary Nichols, Chairman,
California Air Resources Board
1001 I Street,
Sacramento, CA, 95814

RE: Decreasing Methane Emissions from Oil and Gas Operations

Dear Chairman Nichols:

We are writing in regard to the critically important rulemaking at the Air Resources Board (ARB) pertaining to the reduction of greenhouse gas (GHG) emissions from oil and gas operations across our great state. We strongly support your draft regulation, but urge ARB to go even further to reduce the vast quantity of pollution being released every year from California's oil and gas infrastructure.

Methane leakage is the primary source of GHG emissions from oil and gas facilities. When looking at the 20-year global warming potential of methane—an assessment used by ARB that accurately captures the impact of methane on climate change—it is at least 80 times more powerful than carbon dioxide alone. Methane emission reduction from oil and gas facilities has the important co-benefits of reducing toxic air contaminates and ozone emissions, which would benefit communities who live closest to these facilities. Implementing a strong rule will not only improve our climate, but it will also improve the quality of life of many Californians who are already overburdened by pollution.

For too long the oil and gas industry has avoided regulation and oversight that requires leak-free infrastructure. The economics of leak reduction show it is cheap and easy to dramatically cut pollution using existing technology. Industry can often capture and sell gas instead of wasting it. A recent report by ICF Consulting concluded that nearly 40 percent of fugitive methane could be reduced for pennies on the dollar.

We support ARB's proposal to regulate the equipment used in both onshore and offshore oil and gas production. We also support including both new and existing oil and gas facilities, and setting a high bar for leak detection and repair to ensure methane emission reductions. Further, we agree with requiring the installation of extremely low NOx combustors when needed, instead of flares, as it will result in the removal of high polluting sources in some of California's most overburdened air basins.

It is appropriate for ARB to include underground natural gas storage facilities in this regulation, and we look forward to seeing more details on how ARB will regulate these facilities to ensure there will not be another event like the one that happened at Aliso Canyon.

While the proposed regulations provide a solid framework for methane reduction, there are additional opportunities for emission reduction that could ensure Californians receive better climate and public health benefits. For example, ARB should consider removing or phasing out the step-down provisions in the leak detection and repair requirements that allow operators to meet only loose annual inspection requirements. Rigorous quarterly inspections will lead to gas leaks being detected and repaired faster, eliminating up to nearly one year of damage to our climate and public health from a leak. Additionally, quarterly leak detection inspections are cost-effective given that operators can sell captured gas that otherwise would have leaked into the atmosphere. The state's goal of reducing methane emissions by 40 to 45 percent identified in the Short Lived Climate Pollutants plan can only be achieved by adopting a stringent rule without loopholes.

As members of the California Legislature, we strongly support ARB's efforts to fight climate change and develop necessary and thoughtful regulations to reduce emissions from oil and gas infrastructure. While this proposed rulemaking is a good first step, we believe there are additional measures you could take that would do more to protect the public health and environment of our state.

Sincerely,

DAS WILLIAMS
Assemblymember, 37th District

BEN ALLEN
Senator, 26th District

KANSEN CHU
Assemblymember, 25th District

HANNAH-BETH JACKSON
Senator, 19th District

MARK LENO
Senator, 11th District

CAROL LIU
Senator, 25th District

PATTY LOPEZ
Assemblymember, 39th District

KEVIN MCCARTY
Assemblymember, 7th District

BILL MONNING
Senator, 17th District

MARK STONE
Assemblymember, 29th District

PHIL TING
Assemblymember, 19th District