



Western States Petroleum Association
Credible Solutions • Responsive Service • Since 1907

Catherine H. Reheis-Boyd
President

February 18, 2016

Mr. Jim Nyarady
Manager, Oil and Gas Section
California Air Resources Control Board
1001 I Street
Sacramento, CA 95814

Re: WSPA Comments on draft Regulation for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Operations (February 2016)

Dear Jim:

The Western States Petroleum Association (WSPA) is a non-profit trade association representing companies that explore for, produce, refine, transport and market petroleum, petroleum products, natural gas and other energy supplies in California and four other western states. WSPA appreciates this opportunity to provide the first round of comments on the proposed regulatory language published by the California Air Resources Board (ARB) on February 1, 2016 and presented by ARB staff on February 4, 2016 at the Public Workshop regarding ARB's draft Regulation for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Operations.

WSPA and WSPA member companies, as key stakeholders, have engaged with the ARB in the regulation development and implementation process. As the WSPA member companies each have existing air quality compliance programs, it is important that the final regulation be consistent with current and successful local, state, and federal air quality regulations.

The following attachments provide initial assessments of WSPA and WSPA member company concerns regarding the proposed regulatory language. WSPA will provide another round of comments as a follow-up to this letter to address additional complex requirements. Below is a list of our concerns that will be included in the follow-up letter –

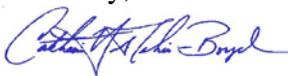
1. Facility definitions as applicable to crude oil and natural gas production, natural gas gathering and boosting stations and natural gas transmission compressor stations;

1415 L Street, Suite 600, Sacramento, California 95814
(916) 498-7752 • Fax: (916) 444-5745 • Cell: (916) 835-0450
cathy@wspa.org • www.wspa.org

2. Concerns about emissions sources and inadequate cost-effectiveness;
3. Concerns about compressed compliance schedule;
4. Lack of emergency and safety provisions across all source categories;
5. Redundancy of flash liberation tests with GHG MRR; technical feasibility of conducting the tests in low-volume fields; cost-effectiveness of multiple tests within a field;
6. Confusing definition of ponds and sumps; Technical feasibility of control requirements for sumps. Redundant LDAR requirements;
7. Further comments regarding the safety concerns and technical feasibility of recirculation tank control measures. Concern regarding compliance demonstration of control of very small emissions. LDAR frequency clarification of temporary recirculation tanks;
8. Redundancy of reciprocating compressor testing with GHG MRR; safety and technical feasibility of low access ports; Not all reciprocating compressors have a rod packing vent. Redundancy of LDAR requirements that are already under Air District or other regulatory agency controls;
9. Redundancy, technical feasibility, cost-effectiveness, and applicability concerns around testing and control of pneumatic devices;
10. Further comments regarding leak detection and repair applicability, thresholds, implementation deadlines, leak rates and compliance triggers;
11. Need to understand ARB's direction on proposal for leak emissions reductions for large catastrophic leaks;
12. LDAR emissions estimates are too high compared to actual;
13. Additional exemptions are needed for streams that have low methane concentrations;
14. Redundancy of LDAR requirements that are already under Air District or other regulatory agency controls;
15. Definitions of terms used under LDAR – confusion in repair timelines of overlapping terms such as Minimize and Successful Repair;
16. Low leak thresholds and low leak rates trigger higher frequency of inspections;
17. Inconsistent and short repair durations for critical components; and
18. Clarifications on and comments regarding the possible redundancies and inefficiencies in the recordkeeping and reporting processes of implementation.

Thank you for your consideration of WSPA's comments. If you have any questions, please contact me at this office, or Jenifer Pitcher of my staff at (661)321-0884 or email: jpitcher@wspa.org

Sincerely,



cc: Mr. Ken Harris, Oil & Gas Supervisor, Division Oil, Gas & Geothermal Resources