



Air Resources Board



Matthew Rodriguez
Secretary for
Environmental Protection

Mary D. Nichols, Chairman
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Edmund G. Brown, Jr.
Governor

November 25, 2014

Dear Sir or Madam:

The California Air Resources Board (ARB) staff invites you to participate in a public workshop regarding ARB's proposed regulation to reduce methane emissions from oil and natural gas production, processing, transmission (compressor stations) and storage operations, on Tuesday, December 9, 2014. Staff will present regulatory approaches, estimated cost impacts, and emission estimates as well as discuss plans to complete an environmental analysis for the proposed regulation, and seek input on that analysis, including on potential environmental and economic impacts and alternatives to be considered. Staff will also discuss plans to complete an environmental analysis (EA) under ARB's certified regulatory program to comply with the California Environmental Quality Act.

Staff welcomes public input on the appropriate scope and content of the EA at the beginning of our process, including, among others, the reasonably foreseeable methods of compliance with the proposed regulation and the potential significant adverse impacts associated with the methods of compliance. Please note that staff is currently seeking early public input on potential regulatory approaches. In light of this fact, the potential for adverse environmental effects that may ultimately result from the proposed regulation remains uncertain. Staff expects the regulations to produce substantial methane reductions, along with reductions in VOCs and toxics as co-benefits. Depending on which regulatory approach(es) are ultimately implemented, the regulation's potential adverse environmental impacts may or may not include the potential for increased emissions of oxides of nitrogen (NOx) and other secondary pollutants resulting from combustion of collected gases, as well as potential ground disturbance related impacts from the potential construction of additional pipeline facilities. A draft of the EA will be released for public review and comment as an appendix to the Staff Report: Initial Statement of Reasons, in 2015.

Pursuant to the requirements of Senate Bill (SB) 617 (Chapter 496, Statutes of 2011), ARB is soliciting public input and alternative regulatory approaches that may yield the same or greater benefits or that may achieve the goals at a lower cost. ARB will analyze these alternatives in its Standardized Regulatory Impact Analysis (see http://www.dof.ca.gov/research/economic_research_unit/SB617_regulation/view.php). To best be able to compare alternatives, ARB is requesting that any submittals of

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

California Environmental Protection Agency

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alternatives provide detailed information on cost and benefit assumptions, along with relevant reference materials. Please submit alternatives relating to economic impacts to Christian Hurley, Air Resources Engineer, Oil and Gas Section at (916) 324-8178 or churley@arb.ca.gov by December 30, 2014.

Enclosed is a draft workshop agenda. Prior to the workshop, a final agenda, staff presentations, and supporting information will be posted at <http://www.arb.ca.gov/cc/oil-gas/oil-gas.htm>. The workshop will include an opportunity for questions, feedback, and presentations by stakeholders and members of the public. Following the workshop, stakeholders and members of the public may send additional feedback.

The workshop will be held at the following time and location:

DATE: December 9, 2014
TIME: 9:00 a.m. to 12:00 p.m.
LOCATION: Coastal Hearing Room, Second Floor
ADDRESS: Cal/EPA Headquarters Building
1001 "I" Street
Sacramento, California 95814

Directions to the California Environmental Protection Agency (Cal/EPA) headquarters and public transit can be found at the Cal/EPA website at <http://www.calepa.ca.gov/epabldg/location.htm>.

This workshop will be webcast. You may access the webcast at <http://www.calepa.ca.gov/broadcast/?BDO=1>. During the webcast, we will accept feedback and questions sent via email to coastalm@calepa.ca.gov.

You may participate in this workshop by teleconference by dialing **888-673-9785** (for domestic) or **1-630-395-0195** (for international), give the participant code: **8808791** and leader name: **Ms. Elizabeth Scheehle**. Please note that if you call internationally, it is a toll call.

If you require special accommodation for the scheduled event/meeting or need this document in an alternate format (e.g., Braille, large print) or another language, please contact Mr. Valentine Montoya at (916) 324-0428 or vmontoya@arb.ca.gov as soon as possible. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

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We welcome and encourage your participation in this effort. If you have questions about the workshop, please contact me at (916) 322-6312 or via email at escheehl@arb.ca.gov, or Ms. Johanna Levine, Air Pollution Specialist, Emerging Technology Section at (916) 322-3499 or via email at jlevine@arb.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Elizabeth Scheehle". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Elizabeth Scheehle, Chief
Oil and Gas and Greenhouse Gas
Mitigation Branch

Enclosure

cc: Christian Hurley
Air Resources Engineer
Oil and Gas Section

Johanna Levine
Air Pollution Specialist
Emerging Technology Section

Public Workshop to Discuss a Proposed Regulation to Reduce Methane Emissions from Oil and Natural Gas Production, Processing, and Storage Operations

Tuesday, December 9, 2014
9:00 a.m. to 12:00 p.m.
Cal/EPA Headquarters Building
Coastal Hearing Room, Second Floor
1001 I Street
Sacramento, California 95814

Draft Agenda

- Introduction
- Proposed Regulatory Approaches
- Estimated Cost Impacts
- Estimated Emission Reductions
- Environmental Analysis
- Alternative Approaches
- Next Steps

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