



NRG Energy, Inc.  
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December 20, 2017

**By Email:** [dmehl@arb.ca.gov](mailto:dmehl@arb.ca.gov)

Mr. David Mehl  
Climate Change Program Evaluation Branch  
California Air Resource Board  
1001 I Street  
Sacramento, California 95812

Re: NRG Energy Inc.'s Comments on  
Strawman Amendments to the California Sulfur Hexafluoride (SF<sub>6</sub>)–  
Discussion Draft dated November 16, 2017

Dear Mr. Mehl:

NRG Energy, Inc. (NRG) appreciates the opportunity to submit these comments in response to the strawman draft of potential amendments to the California Air Resources Board (ARB) Regulation for Reducing Greenhouse Gas Emissions from Gas Insulated Equipment (Regulation) issued on November 16, 2017. These comments are in addition to those comments made during the workshop on November 28, 2017. We propose for ARB's consideration rule language amendments that would provide a de minimus threshold for reporting and enforcement – an example of such language is provided below; and rule language amendments that include maintenance provisions to ensure safe and environmentally compliant operation of gas insulated equipment (GIE).

Furthermore, NRG supports the language and calculation methodology in § 95354.1 that was presented to allow the facility/owner of gas insulated equipment to rename the nameplate capacity. However, NRG recommends that the notification intent requirement of 60 days in § 95354.1(a) be shortened to 15 days or less for instances when a piece of equipment is being retired or is currently experiencing known emission leaks. An extended notification period could result in additional emissions or the potential for additional emissions during this waiting period. NRG also requests that ARB clarify that the language in § 95354.1(e) be revised to

include the removal of the gas until the pressure in the GIE device or indicated within the gas removing compressor is less than 3.5 Torr, since most GIE devices do not have the instrumentation precision to accurately determine this level of vacuum. Also, as an alternative to the calculation method, we request for ARB's consideration rule language amendments that would allow a new nameplate capacity to be established by evacuating and measuring SF<sub>6</sub> gas, adjusting the measured mass based on the rated pressure and adjusted based on prescribed ambient conditions. The operator would be allowed to reinstall the SF<sub>6</sub> and "top off" if applicable to the rated pressure without a threat of non-compliance. Manufacturers or a State registered professional could, in turn, certify a corrected nameplate capacity.

NRG specifically requests that language to establish a de minimus threshold be included in this revision to the regulation. NRG believes a de minimus threshold is necessary for "small facility inventories" to avoid inadvertent and likely continuous non-compliance for minimal actual emissions, unmitigatable emissions due to both regularly scheduled preventative maintenance and unscheduled repair maintenance activities, and potential "phantom emissions". The U.S. EPA, under 40 CFR Part 98.330 Subpart DD Electrical Transmission and Distribution Equipment Use, requires that entities report emissions and related inventory quantities if system nameplate capacity exceeds 17,820 pounds of SF<sub>6</sub>. NRG appreciates the reporting threshold precedent set by U.S. EPA, but recommends that the California Regulation mirror the CO<sub>2</sub>e thresholds in the Mandatory Reporting Rule for reporting (10,000 MT-CO<sub>2</sub>e) and the Cap-and-Trade Regulation threshold for Covered Entities (25,000 MT-CO<sub>2</sub>e). For example, a facility/owner which owns/operates GIE devices with a combined inventory of SF<sub>6</sub> <967-lbs (10,000 MT-CO<sub>2</sub>e) would not be required to report under this regulation; a facility/owner which owns/operates GIE devices with a combined inventory of SF<sub>6</sub> <2417-lbs (25,000 MT-CO<sub>2</sub>e) would be required to report, but would not be subject to enforcement under this regulation.

NRG also recommends that language be included which allows an entity to permanently retire a GIE device at any date within the year, and that the annual inventory not be required to be time-weighted average in such instances of retired GIE devices. The current regulation could potentially and inadvertently force a GIE device owner to delay the retirement of a GIE device, thus creating the potential for real emissions, because an early retirement requires the annual inventory to be recalculated based on a time-weighted average. The GIE owner/operator should be able to permanently retire a GIE device at any point within the year, and avoid potential non-compliance due to a calculated reduced emissions rate.

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NRG also respectfully requests that ARB reconsider its response to Question 47 in the "Frequently Asked Questions" module of the ARB SF6 Webpage. The question currently asks "If my company is composed of a number of facilities that are each limited liability companies (LLC) under an umbrella company, at what level are we required to report?", and the ARB response is "As each LLC is an independent entity that legally owns the GIS at a facility, each LLC would be individually subject to the regulation." NRG respectfully requests that ARB expand the definition of reporting/compliance entity for compliance purposes to allow operating companies that have operations and maintenance responsibilities as well as compliance responsibilities for commonly-owned facilities among affiliates to report on a consolidated basis for those affiliates. ARB's narrow definition of the compliance entity, that it necessarily be a legally independent/separate entity, unfairly disadvantages facilities with the same parent or sub-parent owner from complying with the Regulation, as compared to other SF6 GIE owners, such as utilities, who are allowed to combine their inventories across multiple locations/regions. The parent should be entitled to determine the legally appropriate umbrella level of ownership to ensure environmentally responsible reporting with financially supported and compliant operation of GIE devices.

Should you have any questions regarding the recommendations or comments, do not hesitate to contact me.

Very truly yours,

*Sean P. Beatty*

Sean P. Beatty  
Regional General Counsel - West  
NRG Energy, Inc.

cc: Rosa Lopez – Air Resources Board  
George Piantka – NRG Energy, Inc.  
Timothy Sisk – NRG Energy, Inc.