



December 6, 2018

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95812

RE: Draft of Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants

Dear Clerk of the Board:

Aera Energy LLC (Aera) is an independent oil and gas producer with equipment regulated by the California Air Resources Board (CARB). CARB staff should be commended for their diligent efforts in developing this regulation for the reporting of criteria air pollutants and toxic air contaminants. Aera is providing the below comments with the intention of further improving the draft regulation.

§93401: This section specifies the applicability of criteria and toxic air contaminant emission reporting to permitted sources within the boundary of a community selected by CARB under the Community Air Protection Program (§93401(a)(4)). Several of the communities selected by CARB in 2018 have preliminary boundaries that were not finalized at the time of selection. Community Steering Committees and air districts are "anticipated to make recommendations that further refine the proposed boundaries for its community." Please revise this section to take the timing of these boundary refinements into consideration when establishing reporting periods and deadlines for these facilities.

§93402: A definition for "stationary source" was discussed in the staff report (pg. 53) but was not included in the proposed regulation. This term is used elsewhere in the proposed regulation. Please either include the definition or reword the regulation to eliminate its use.

§93404(a)(11): This section requires reporting emissions of criteria pollutants and toxic air contaminants. However, the regulation is confusing regarding particulate matter emissions. The definition of "criteria pollutant" in §93402 lists particulate matter with a parenthetical clarification that this means PM_{2.5} and/or PM₁₀. The definition of "particulate matter" specifies particles with an aerodynamic diameter smaller than 100 micrometer, and is followed by a list of definitions of overlapping subsets of particulate

matter. The regulation is not specific as to what must be reported – total PM, PM2.5, PM10, condensable PM, or filterable PM. Please provide clarification for facilities on what should be reported.

93404(a)(11)(C): This section requires reporting the criteria air pollutant or toxic air contaminant “Pollutant Code”, which is not defined in the proposed regulation. The AB 2588 Air Toxics Emission Inventory regulation specifies use of the Chemical Abstract Service (CAS) registry number when reporting emissions. Please clarify whether this is what is meant by “Pollutant Code” or if CARB will be assigning different pollutant codes.

§93404(a)(6): There are several references to addresses in the proposed regulation. §93404(a)(6) requires the physical address of the facility to be submitted with report. In discussing the definition of “physical address”, the ISOR states that the physical address is intended to identify the location of emission sources. The proposed regulation does not provide adequate clarity on “facility physical address” for rural locations many of which do not have a street address. Please provide clarification on what physical address should be used for these facilities.

§93404(a)(12): This section specifies that emissions for an “onshore petroleum and natural gas production facility” are to be aggregated as defined by air district and not by geologic basin. Most oil and gas production stationary sources in the SJVAPCD are defined by their location in one of three geographically defined “fields” and by their classification as light oil production, heavy oil production, or gas production. A stationary source can consist of several non-contiguous properties contained within the boundaries of the field. Additionally, the same operator can have three overlapping stationary sources in the same field, one each for light oil production, heavy oil production, and gas production. Aera supports the use of air district defined facilities, thereby allowing for continuity of existing air district emissions reporting programs, but wanted to bring awareness to the fact that facilities boundaries may not match facility boundaries for other emissions reporting programs (ex. Mandatory Greenhouse Gas Emissions Reporting).

§93404(a)(12): This section specifies that oil and gas criteria pollutants and toxic air contaminants emissions are to be quantified by facility as defined by the local air pollution control district and not by geologic basin as is done in Mandatory Greenhouse Gas Emissions Reporting. The proposed regulation definition of “Onshore petroleum and natural gas production facility” does not include the definition detail for “Facility” with respect to cogeneration plants at onshore petroleum and natural gas production found in the GHG MRR under CCR, title 17, § 95102(a). This detail states “when a commonly owned cogeneration plant is within the basin, the cogeneration plant is only considered part of the onshore petroleum and natural gas production facility if the onshore petroleum and natural gas production facility operator or owner has a greater than fifty

percent ownership share in the cogeneration plant.” Please clarify that criteria pollutant and air toxic contaminant emissions from a cogeneration plant that is permitted by a local air pollution control district as part of an oil and gas facility is to report emissions as part of the oil and gas facility even when greenhouse gas emissions are reported separately.

§93404(b): This section refers to emissions that are currently reported to or quantified by the air district. It is unclear if “current” means at the time the regulation is adopted or if it means at the time emissions are reported each year. Please clarify this requirement.

Article 2: Aera is concerned about CARB’s plan to add uniform methods of quantification to the proposed regulation, as mentioned in §93400 and §93403(b)(1) and as provided for in reserved Article 2 of the proposed regulation. AB 617 requires a uniform statewide system of reporting, but does not require a uniform statewide method of quantification. To “report” and to “quantify” are not the same. If CARB proceeds with this section, Aera requests consideration of the following concerns.

- Uniform methods should not be made so prescriptive that they would be excessively burdensome, with no real improvement in public understanding of facility emissions. New calculation requirements should not replace existing methodologies where these are reasonable and representative, and already reflect use of best available information. Please consider reasonable, straight-forward methodologies.
- An emphasis on uniformity could force facilities to use emission factors or calculation methods for a category of equipment even if those factors or methods don’t accurately represent their particular equipment or operation. For example, a boiler of the same size but equipped with different controls or used in different applications could have significantly different emissions for the same fuel use. Please ensure the regulation allows facilities to accurately characterize their emissions.
- Use of maximum emission factors, punitively substituted data, or other overly conservative requirements do not improve emission reporting accuracy. Please avoid requirements of this type.
- The U.S. Environmental Protection Agency (EPA) also publishes guidelines for preparing emission inventories (<https://www.epa.gov/air-emissions-inventories/air-emissions-inventory-improvement-program-eiip>). Before the CARB pursues uniform emission quantification procedures, CARB should clarify how the existing EPA guidance is unsatisfactory. There is no reason for CARB to develop a procedure if the existing EPA standard is sufficient.

Aera appreciates the opportunity to provide input to improve this important regulation. Should you have any questions, please feel free to contact me at (661) 665-5689.

Sincerely,



Peggy Shue

Process Manager - Air Quality

cc: Dave Edwards, CARB
John Haley, Aera Energy LLC