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California State Senate

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

Dear Chairwoman Nichols,

I am writing to you in support of California Jet Oil LLC's request to include water-jet technology into the California Air Resources Board's rule making process as an "innovative crude production method" under the Low Carbon Fuel Standard (LCFS) program.

During your workshop titled *Low Carbon Fuel Standard Public Workshop to Discuss Potential Regulation Revisions* on October 15th, my staff read a statement on my behalf in support of water-jet technology. As was stated, I believe new processes like water-jet technology should be part of the state's efforts in meeting its carbon goals.

According to California Jet Oil LLC, water-jet technology has the potential to substantially improve California's oil production while also minimizing its impact on the environment through the following:

- Non-fracking: Water-jet technology does not fracture the rock formation to produce oil. This technology could be a direct replacement for hydraulic fracturing or high pressure steam injection operations.
- Ground water protection: Water-jet technology does not inject any water into the surrounding rock formation and all water used in the process is re-used and recycled.
- Reduced surface impacts: Water-jet technology accelerates the recovery of oil, significantly reducing the well life-cycle from decades to days, allowing the surface to be restored faster than typical oil recovery processes.
- Reduced crude imports: California currently imports 75% of its oil to meet its needs, much of it coming from overseas via oil tankers. Water-jet technology could help California reduce its reliance on imported crude by replacing high carbon intensity imported crudes with low carbon intensity water-jet oil.

• Increased economic activity: California is currently exporting over \$20 billion a year to out-of-state oil suppliers to purchase oil to meet its needs. Water-jet oil production technology provides an alternative to importing foreign crude, while creating jobs and economic prosperity for Californians.

I support California Jet Oil LLC's request and ask that you consideration f its incorporation into the Air Resources Board's rule making process.

Should you have any questions, please do not hesitate to contact me at (916) 651-4016 or Senator.Grove@senate.ca.gov.

Respectfully,

Shannon Grove

Senate Republican Leader, 16th District