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Elizabeth Scheehle, Chief
Oil and Gas and GHG Mitigation Branch
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Agenda Item 16-7-2: Comments on Proposed Regulation of Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities

Dear Ms. Scheehle:

Thank you for the opportunity to provide comments on the Proposed Regulation of Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities. Staff from the Butte County Air Quality Management District have been involved with the CAPCOA/ARB working group over the past several months collaborating with ARB staff as the regulation has been developed. We appreciate ARB establishing the working group and seeking input from the air districts early in the process of developing this important measure. Having said that, we have the following comments which should be considered. These are areas which our staff brought forward in the working group meetings.

Idle wells: The regulation is unclear on the requirements for wells not currently in service. Districts have heard terminology describing wells as "idle", "abandoned", "plugged", "dry", "inactive", etc. but the Proposed Regulation and ISOR do not include definitions for these terms and is unclear to what extent wells not currently in service for any reason are to be regulated. The regulation and ISOR limits discussions of "idle" to intermittent bleed pneumatic devices and does not clarify if the control, monitoring and reporting requirement apply to "idle" wells; however, we believe that there are as many or more wells not currently in service than in service that may be subject to this regulation and require district or ARB oversight but are not included in the cost estimates prepared for this ISOR. Regulating wells currently not in service will be a significant challenge for districts, ARB and the regulated community.


Record keeping: Section 95668(i) relating to Natural Gas Underground Storage Facility Monitoring Requirements was a recent inclusion to the proposed regulation. In this section requirement monitoring for these facilities, Section 95668(i)(1)(C) 6 requires facilities with continuous monitoring to keep records but Section 95668(i)(1)(B) does not require facilities opting for daily screening to keep records of this monitoring. We recommend record keeping be required regardless of the type of monitoring system chosen. If the requirements in 95668(i)(1)(C) 6 are supposed to also apply to 95668(i)(1)(B), this is not clear in the regulation or ISOR.

In general, organization of bifurcated compliance methods, requirements, and standards in the proposed rule are problematic. For example, in Section 95668(g), owners and operators with liquid unloading "shall do one of the following:" and below are listed three compliance options and one record keeping requirement. All four elements of the rule are on the same outline level indicating only one of the four is required; however, we believe it the intent of the ARB as clarified in the ISOR which indicates owners or operators must choose a compliance and then records kept of the option. Similar organizational issues exist within many subsections of the proposed regulation and the ISOR does help clarify the intent on some of these sections. We recommend organizing the regulation so that interpretation of the requirements is not an unnecessary issue.

Enforcement and permitting: While ARB states in the ISOR that districts may elect to implement and enforce the regulation, Section 95673(b)(1) requires regulated entities to apply to the local district to have conditions added to district permits ensuring compliance with this (sub)article upon the district issuing a new or renewed permit. Based on this language, district participation is not optional. If district participation is optional, it is not evident how permits will be issued if a district does not implement the regulation. Permitting authorities and the implementation needs to be clarified.

Thank you again for the opportunity to comment. We look forward to working with ARB staff on the final regulation. If there are any questions regarding these comments, please contact David Lusk of my staff or me.

Sincerely,



W. James Wagoner
Air Pollution Control Officer