

16-7-2



To: California Air Resources Board
From: Seth Shonkoff, Executive Director, PSE Healthy Energy
Date: July 16, 2016
Re: California Code of Regulations, Title 17, Division 3, Chapter 1, Subchapter 10
Climate Change, Article 4, Subarticle 13: Greenhouse Gas Emission Standards for
Crude Oil and Natural Gas Facilities

Thank you for accepting these comments on California Air Resource Board's (CARB) proposed Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities. In light of the recent Aliso Canyon gas leak disaster, the recommendations of the California Council on Science & Technology's (CCST) Independent Scientific Study of Well Stimulation (Long et al. 2015), and the national commitment made by the Obama Administration to reduce methane leakage from the oil and gas sector by 40-45% below 2012 levels by 2025, these regulations are an important step forward to reducing the powerful greenhouse gas pollutant, methane, and working to stabilize the climate.

We submit these comments on behalf of PSE Healthy Energy, a national energy science and policy institute that supports the adoption of responsible evidence-based energy policies that aim to protect the climate, public health, and the environment. Our organization is composed of physicians, scientists, and engineers who work to fill data gaps and promote scientific understanding of modern energy resources and production.

PSE Healthy Energy strongly supports CARB's proposed standards for crude oil and natural gas facilities. We especially appreciate CARB's leadership in proposing standards simultaneously for both new and existing sources. In conjunction with local, state, and federal regulatory requirements, these standards will prevent the waste of hydrocarbon resources and reduce the environmental, social, and economic costs of methane and other co-emitted air pollutant emissions. We encourage swift implementation of these standards to mitigate climate change and protect the health of Californians.

In addition to our support for these new regulations, we submit the following comments as additions and revisions that we would like to see in the final regulations.



General Comments

Overall, we support the adoption of these regulations with minimal additions or deletions. These go a long way toward reducing the leakage of methane pollution into the atmosphere.

CARB should make some improvements to this proposal to ease public participation in the regulatory process, especially with respect to the LDAR program as described below.

First of all, CARB should not take a “step-down” approach to enforcement. CARB should maintain a consistent standard for inspection frequency. Under this proposal, failing to discover leaks can lead to eased requirements and less frequent inspections. This approach is flawed for two reasons. First, the absence of a leak reveals nothing about the probability of a future leak. Second, if failing to detect leaks can result in reduced requirements for inspections, companies are incentivized to encourage less rigorous inspections. Operators may find it in their best interest to not find leaks rather than repair them. This approach also sets a poor regulatory precedent as methane leakage is regulated in other states and at the federal level, and for regulations of other pollutants.

In addition to the draft regulations, we also urge CARB to engage in community-scale air quality monitoring to ensure that community exposures to air toxics attributable to oil and gas development are not elevated beyond thresholds for health.

We also recommend that CARB consider the implementation of minimum surface setbacks as recommended in the California Council on Science & Technology (CCST) Independent Scientific Study of Well Stimulation (Long et al. 2015).

95668(i) Natural Gas Underground Storage Facility Monitoring Requirements

PSE Healthy Energy applauds CARB’s attention to underground storage with special monitoring requirements. We are currently in the process of conducting an extensive nationwide review of best practices for underground natural gas storage, and are pleased to see strong requirements in these draft regulations.

We note and are supportive of CARB’s taking over LDAR implementation from the Department of Conservation Division of Oil, Gas, and Geothermal Resources (DOGGR). The proposal to have the ability to remotely access readings from the continuous monitoring of ambient air from underground natural gas storage facilities by



2018 will be important in reducing future leakage, and this data will greatly benefit the public.

We are aware that some groups have suggested that CARB augment this remote access monitoring system with a simple function allowing the public to upload monitoring data of its own, submitting citizen complaints with OGI video compliant with 95668(i)(B) that can trigger the 95669 inspection and repairs. As discussed below, a cooperative LDAR approach involving industry, government, and the public will most efficiently reduce emissions, save money, and ease compliance. We would like to see language included that would ensure that the upload of such data would trigger inspection by either a state agency or a certified third-party operator within a short timeframe, such as one week, in order to catch existing leaks not detected by infrequent inspections.

In addition, we support the proposal (95668 (i)(c)(6)) to require operators to maintain and make available records of their monitoring system to CARB upon request. We urge CARB to similarly require operators to also make those records available to the public.

95669. Leak Detection and Repair.

The Optical Gas Imaging (OGI) from the leak at the Aliso Canyon facility helped bring to the national spotlight the dangers associated with methane emissions. The infrared plumes also highlighted the contributions citizen science can bring to the enforcement of this rule. Ultimately, regulations mean nothing without proper enforcement mechanisms like an effective LDAR program.

To ease both compliance and implementation, CARB should create a single publicly accessible and searchable web based portal. This platform will first assist the regulated community by allowing electronic submission of recordkeeping and inspection reports. It will also benefit the public by allowing for online streaming of the continuous monitoring data CARB will receive under 95668(i)(1)(A).

Nothing in this above approach should be construed to replace or supersede the inspection, recordkeeping, and reporting requirements detailed under this proposed regulation.

95669(b)(1) PSE Healthy Energy encourages CARB to collaborate with local air districts on implementing an LDAR program that standardizes inspections, monitoring, recordkeeping, and reporting. Accordingly, local air districts should maintain the flexibility to impose additional LDAR requirements. In no circumstance should some districts have weaker LDAR requirements than CARB.

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95669(b)(4) PSE Healthy Energy opposes CARB's proposal to exempt natural gas distribution pipelines not owned by the operator of the crude oil production facility. Pipelines can be a significant source of methane emissions and, regardless of ownership, operators should have LDAR obligations for all components of the system within their sphere of influence.

95669(g)(1) PSE Healthy Energy supports regular inspections of all 95668 components. However, we are concerned about CARB's proposal to reduce the frequency of inspections simply because the operator finds no leaks or only low-level leaks. This approach provides a disincentive to find and repair leaks, by rewarding operators for not detecting them. Furthermore, past leak performance is not indicative of future performance. If anything, older components should receive greater scrutiny.

95672 Reporting Requirements.

95672(a)(8-12) We support CARB's proposals to require operators to report leaks within specified timeframes and to report the results of inspections conducted pursuant to section 95669. Similarly, we urge CARB to require operators to make these reports available to the public upon request; and create a publicly accessible and searchable web based platform where operators must submit these records.

Conclusion

We are pleased to see these draft rules addressing both existing and new infrastructure moving forward in California, and we encourage swift adoption of the final rules. CARB will achieve important public health, economic, safety and climate benefits with the implementation of this rule. But as with all rules, enforcement is key. We look forward to the revision and adoption of this rule, followed by strong and swift implementation of these monitoring programs.