



February 21, 2017

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

RE: Comments on Proposed 15-Day Modifications

Dear Ms. Scheehle:

The Butte County Air Quality Management District (District) thanks you for the opportunity to comment on the proposed 15-day modifications to the regulation to address Greenhouse Gas emissions from the Oil and Gas industries. We also appreciate the opportunities to provide feedback as these modifications were being developed.

On the proposed regulation posted February 3, 2017, we offer the following comments:

Enforcement and Permitting: As noted in our earlier comments for the ARB Board meeting, the proposed regulation's ISOR has been termed "optional" for Districts to enforce and implement the regulation but we still read Section 95674(b)(1) as mandatory for a permitted source to apply to include the regulation requirements in a local permit and, since no changes were proposed to this section, we are still unclear on what occurs if a district chooses not to implement all portions of the regulation.

Underground Storage Monitoring: As we have previously commented on the Section addressing underground natural gas storage facilities, we are unsure of how the proposed monitoring will be used to determine the "baseline monitoring conditions" (undefined term). The proposed regulation does not indicate that "baseline" is the ambient/upwind concentration, some average or ratio of the downwind and upwind concentrations, or all or a fraction of the downwind concentration. If the "baseline" includes some combination of acceptable fugitive emissions from the facility, it appears that monitoring a higher background without an upper limit would limit the effectiveness of the regulation, i.e. would set higher alarm levels, etc.

Alarm Reporting: The wording on the thresholds and notification requirement in several sections appears awkward. How can a facility report an alarm notice within 24 hours of an initial leak measurement for a 5-day reading above 10,000 ppm? The initial leak measurement would have occurred 4 days prior. Previous sections of the regulations use "alarm" as the event that triggers the notification not the specific thresholds. The regulation notes when the monitoring system must trigger an alarm, so the language could be revised

to: *"Any time the monitoring system triggers an alarm, the owner or operator shall confirm the alarm condition has occurred and notify ARB within 24 hours of the alarm."*

Several sections of the proposed changes to the Regulation (i.e. Section 95668(h)(5)(B)6.) requires the owner or operator to notify ARB, DOGGR and the air district in case of alarms or other notification events. This is a mandatory requirement for the regulated facilities and the local district may or may not be implementing the program and may not require such notifications. Although the proposed requirement is conservative, it is unnecessary since those districts implementing the regulation are required to write such requirements into the air permit. These notification requirements should have a caveat that allows for districts to opt out of receiving notifications. Suggested language to allow district the option of receiving notifications: *"...then notify ARB, DOGGR, and, upon request, the local air district..."*.

The California Department of Conservation Division of Oil, Gas, and Geothermal Resources is used in the regulation sufficient times to warrant inclusion in the definitions with the appropriate acronym (DOGGR).

Consistency: The repair requirement for instrumentation in Section 95668(h)(5)(B)1.e. should include the same phrase as Section 95668(h)(5)(A)1.b. *"... 14 calendar days from the date of calibration or the discovery of the malfunction"*.

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 on my staff or me.

Sincerely,



W. James Wagoner
Air Pollution Control Officer
Butte County Air Quality Management District