



California Independent Petroleum Association

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Mary D. Nichols, Chair
California Air Resource Board
Clerk's Office
1001 I Street
Sacramento, CA 95814

ELECTRONIC SUBMITAL

September 4, 2020

Re: Assembly Bill 617 Community Air Protection Program –
Community Emissions Reduction Program for Wilmington, Carson, and West
Long Beach

Dear Ms. Nichols,

The California Independent Petroleum Association (CIPA) is a non-profit, non-partisan trade association representing approximately 350 independent oil and natural gas producers, royalty owners, and service and supply companies throughout the State of California and specifically in the Wilmington Area of Los Angeles County and the Cities of Carson, Long Beach and Los Angeles.

We are submitting this letter regarding the Wilmington, Carson, West Long Beach Community Emissions Reduction Plan adopted by the South Coast AQMD Governing Board on September 6, 2019 and developed pursuant to Assembly Bill (AB) 617. We understand the CERP is a central part of implementing AB 617 to identify and further mitigate potential sources of air emissions in disadvantaged communities.

Four main air quality priorities related to oil drilling and production were identified by the Wilmington, Carson, West Long Beach Community Steering Committee (CSC): (1) focused near facility air measurements and inspections to address potential leaks or odors from oil drilling and production; (2) enhanced public outreach and notifications from facilities in urban residential areas; (3) additional annual reporting on emissions and chemicals used; and (4) applying technology at drilling sites to further reduce emissions.

Unfortunately, CERP has failed to identify quantifiable emission reductions to be achieved by the actions proposed in the current Plan. The CERP states that “Based on the information currently available, the resulting emission reductions from these actions cannot be estimated at this time”. Without specific, numerical targets, the associated actions imposed on oil and gas production facilities are unwarranted and not aligned with CARB’s AB 617 Blueprint criteria.

CARB’s Community Air Protection Blueprint specifically establishes criteria for the CERP and requires that emissions reduction targets are developed. The Blueprint states: “to establish the emissions reduction targets, community emissions reduction programs will first establish specific, numerical goals for compliance and for the deployment or implementation of technology and control techniques that can deliver emissions reductions. These reductions will focus on the identified pollutants and associated precursors contributing to the cumulative exposure burden.”

Specifically, we reference Table 5-2a (1) Amending Rule 1178 and (2) Amending Rule 1148 Series and Rule 1173. CARB and the CERP cannot impose these additional actions and or adopt new rules under AB 617 without clear targets that justify the need for those additional measures. If no quantifiable emissions reduction will be achieved by the actions within the CERP, we strongly oppose imposing additional monitoring, rule development and notification requirements on oil and gas production facilities. Chapter 5E: Oil Drilling and Production within the CERP does not meet these criteria and for this reason should be removed from the CERP.

Southern California’s oil producers already operate under the world's strictest regulatory and environmental standards. Operators continuously monitor and routinely inspect field operations to capture emissions and prevent leaks. This robust combination of vapor recovery, emission controls and inspection of all well components, including the well head, stuffing box, API ring, valves, connection points and other components as well as associated field equipment such as tanks, separator systems, compressors and gas lines, is designed to prevent emissions and to rapidly identify, control and mitigate conditions that could lead to a release.

It is critical CARB recognize the extensive efforts already undertaken by California's oil and gas industry to ensure public health and safety and to further recognize added safeguards being implemented by new rules and programs at your Board, as well as the California Division of Geologic Energy Management (CalGEM), the South Coast Air Quality Management District (SCAQMD) and numerous other state and local agencies.

- ***AB 2588 Air Toxics Hot Spots Program:*** California has an active program to quantify emissions of a variety of compounds and determine whether they pose a potential risk. Under the AB 2588 program, facilities must annually report emissions to the SCAQMD and perform air dispersion modeling and health risk assessment to determine if those emissions pose a health risk. This program provides confidence that local oil production does not pose health risks, even when located in urban residential areas.
- ***Air permitting programs:*** With oversight from the U.S. Environmental Protection Agency (EPA) and CARB, the SCAQMD implements a rigorous permitting program that analyzes

the impacts from facility modifications that could contribute emissions. Installation of new equipment and modifications to existing equipment that require specific permits from the SCAQMD that impose detailed operating conditions and reporting requirements. Through this permitting process, the SCAQMD requires the implementation of Best Available Control Technology to minimize emissions to appropriate levels. This program drives the development of innovative emission control equipment.

- ***Expanding regulatory requirements:*** There already exists a regulatory framework to lower emissions to achieve the National Ambient Air Quality Standards (NAAQS) established by the U.S. Environmental Protection Agency. Federal, State, and local agencies and businesses that produce essential energy and goods in Southern California are continually evaluating methods to lower emissions. This process fosters continuous improvement incorporates the newest proven technology. Most recently, leak detection and repair has been one of the more active areas driving emission reductions through both state regulations and proactive work by oil and gas producers. . As examples, SJVAPCD rules have reduced NOx emissions from boilers and steam generators by 96% and NOx emissions from non-agricultural use engines by 98% (see SJVAPCD July 31, 2018 presentation).
- ***Greenhouse Gas/Cap-and-Trade:*** With the support of the oil and natural gas industry, California has been a global leader in reducing greenhouse gas (GHG) emissions through its cap-and-trade program. Oil companies follow detailed protocols to report their GHG emissions to the State and independent firms approved by CARB verify the accuracy of the emissions reports. The companies then purchase allowances which fund the State's Greenhouse Gas Reduction Fund to invest in projects that reduce GHG emissions. According to the [2020 Annual Report Cap-and-Trade Proceeds](#), \$5.3 billion in GHG reduction projects have already been implemented through cap-and-trade.
- ***Enhanced Air Monitoring:*** Through regulatory programs such as the Study of Neighborhood Air near Petroleum Sources (SNAPS), SB 4, and AB 617 and non-regulatory means, a dramatic expansion in air monitoring is already occurring. Through SNAPS, CARB completed a state-of-the-art ambient air monitoring program in Lost Hills, California. CARB is reviewing the large amount of data collected, but provided a mid-monitoring update was provided to the Lost Hills community on October 28, 2019. At that point, CARB had collected samples every week that were analyzed for 135 organic chemicals, with only 10 chemicals detected, and none of those detected were above a level of concern. Based on the sampling for toxic metals, CARB reported that those compounds were indicative of wind-blown dust. CARB also cited a continuous air monitoring system within Lost Hills and shared that 99.8% of the time the air quality index showed that the ambient air met federal NAAQS.

Through SB 4, oil producers and CARB have conducted numerous air sampling events during well stimulation. CARB is still analyzing the data, but results have shown that emissions relate to the standard construction equipment used in the process, with no indicate of emissions from the well stimulation fluids.

The SCAQMD has also recently required oil refineries, landfills and major manufacturing facilities to install fenceline air monitoring, which can be achieved cost-effectively for large facilities but cannot be similarly applied to individual wells and associated equipment. AB 617 has also funded various organizations to purchase and install air monitoring equipment, including in urban areas where refining, oil production and other industrial activity occurs. Despite unfounded claims by activists, these networks have yet to record any verifiable data showing emissions that could affect public health.

We understand CERP actions seek to further reduce emissions from sources in urban communities, but in doing so it must acknowledge the substantial body of existing rules and regulations and must outline clear, achievable goals for any new actions CARB seeks to adopt. Otherwise, CARB would simply be implementing unwarranted additional requirements on local operations and local jobs without providing any benefit to public health.

CIPA appreciates CARB's consideration of our comments and looks forward to working with your agency to craft a balanced and effective CERP that complies with the criteria set forth in the AB617 Blueprint. Should you wish to discuss these comments further, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jennifer Rivera".

Jennifer Rivera
VP, Public Affairs
California Independent Petroleum Association