

Darrell R. Johnson Environmental Programs Manager Environmental Services 555 West 5th Street Los Angeles, CA 90013 Tel: (213) 231-6246 djohnson@socalgas.com

June 12, 2023

Clerks' Office California Air Resources Board 1001 I Street, Sacramento, California 95814 Electronic submittal: https://www.arb.ca.gov/lispub/comm/bclist.php

Subject:Comments on Proposed Amendments to the Greenhouse Gas EmissionStandards for Crude Oil and Natural Gas Facilities

Dear California Air Resources Board Members:

Southern California Gas Company (SoCalGas) appreciates the opportunity to comment on the California Air Resources Board's (CARB) Proposed Amendments to the Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities that will be considered by the CARB Board at the June 22, 2023, hearing. SoCalGas is committed to methane reductions as demonstrated in our annual fugitive emissions report to the California Public Utilities Commission, which showed that we significantly exceeded the state's 2025 goal for reducing fugitive methane emissions. The report documented that, in 2021, SoCalGas reduced fugitive methane emissions by 37% – surpassing the state's goal of a 20% reduction by 2025 and nearing the state's goal of a 40% reduction by 2030.¹

¹ See <u>https://newsroom.socalgas.com/press-release/socalgas-surpasses-californias-2025-methane-emissions-</u> <u>reduction-goals-nears-2030-goal</u>

CARB's Oil and Gas Methane Regulation has been an important program for reducing methane emissions². SoCalGas appreciates CARB staff engaging with stakeholders to assure timely implementation of the Oil and Gas Methane Regulation's many complex requirements and for balancing the needs of both community members and oil and gas facility operators in preparing the proposed modifications to the regulation. Particularly, language revision clarifications, and more definitive language under Remotely Detected Emission Plumes are most appreciated.

SoCalGas's comments highlight the following: (1) A compliance advisory is needed for §95669(d)(1) to ensure consistent enforcement across the state, (2) The implementation of §95669.1 will require continued collaboration with CARB staff and 3) A compliance advisory for §95676 would ensure consistent enforcement across the state.

(1) A Compliance Advisory is Needed for §95669(d)(1) to Ensure Consistent Enforcement Across the State

Section 95669(d)(1) reads in part:

- (d) All components, including components found on tanks, separators, wells (including idle wells), and pressure vessels not identified in section 95669(c) shall be inspected and repaired within the timeframes specified in this section.
 - (1) By <the later of April 1, 2024 or the effective date OAL to insert>, owners or operators shall develop facility-specific leak detection and repair plans that encompass all components not identified in section 95669(c). The plans shall be updated annually if any changes are made to the facility or equipment that alter the plan. Leak detection and repair plans shall include the following: ...

New section 95669(d)(1) will require operators to develop facility-specific leak detection and repair (LDAR) plans with detailed data, such as procedures for conducting leak surveys that comply with US EPA Reference Method 21 when §95669(b) already specifies how Method 21 should be used for LDAR measurements. This is just one example of how the LDAR plan must list requirements already contained within the Oil and Gas Methane Regulation. There is concern amongst stakeholders that local air districts may view the LDAR plan as a separate compliance document to be used for additional enforcement purposes rather than as an informational document to assist in LDAR component identification, which is the purpose of the plan.

Many local air districts are incorporating the Oil and Gas Methane Regulation as a permit condition of their Title V permits. If air districts see this as a distinct compliance document it could lead to duplicate enforcement of the regulation by district enforcement officials. For instance, under Title V Federal Operating Permit requirements, a deviation from any "applicable rule or requirements" associated with the facility permit is to be self-reported to the local air district. Thus, districts may

² See CARB Paper, Leak detection and repair data from California's oil and gas methane regulation show decrease in leaks over two years, available at <u>Science Direct: Journal of Environmental Management--</u> <u>Environmental Challenges, Volume 8, August 2022</u>

write notices of violation if an operator deviates in any manner from the LDAR plan. A CARBissued compliance advisory, therefore, is needed to make clear that the LDAR Plan is an informational tool and not an enforcement document.

(2) The Implementation of §95669.1 will Require Continued Collaboration with CARB Staff

SoCalGas collaborated with NASA's Jet Propulsion Laboratory and Caltech on their Methane Source Finder program³ and we have a long-standing commitment to modernizing our system infrastructure to increase safety and reliability, and to reduce methane emissions⁴. Thus, we recognize the benefit of CARB's involvement with Carbon Mapper, Inc.⁵ as discussed at the January 20, 2023, public workshop on Potential Amendments to the Oil and Gas Methane Regulation. We do, however, hope to further collaborate with staff on implementation of some parts of this section that require short turnarounds, such as reporting to CARB within 24 hours after conducting an inspection pursuant to section §95669.1(b), the owner or operator shall report to CARB the information specified in section §95673(a)(15), which includes submittal of an initial mitigation plan. We are concerned that such language under the new Remotely Detected Emission Plumes portion of the Oil and Gas Methane Regulation may be interpreted too prescriptively by different air districts or may impact facility safety and security.

(3) A Compliance Advisory for §95676 would Ensure Consistent Enforcement Across the State

Section §95676 states that "This regulation does not preempt any more stringent requirements imposed by any air district." SoCalGas understands that local air districts have the right to develop regulations per their regulatory authority to reduce criteria air pollutants. However, air districts have misconstrued this as providing them with the authority to utilize similar existing local regulations which are in fact not applicable to facilities covered in the Oil and Gas Methane Regulation. SoCalGas respectfully requests that CARB staff consider publishing a compliance advisory to clarify that local air districts cannot use §95676 to expand the applicability of an existing air district regulation without following the formal public rule making process.

³ See NASA JPL Methane Source Finder, available at <u>https://methane.jpl.nasa.gov/</u>

⁴ See SoCalGas-Methane Emissions, available at <u>https://www.socalgas.com/stay-safe/methane-emissions-del</u>

⁵ See Carbon Mapper, Inc., available at <u>https://carbonmapper.org/</u>

Conclusion

SoCalGas appreciates CARB staff considering our feedback on the Oil and Gas Methane Regulation and draft regulatory text. We look forward to working with CARB on this important topic.

Sincerely,

/s/ Darrell Johnson

Darrell R. Johnson Environmental Programs Manager Environmental Services, SoCalGas

Cc: Carolyn Lozo, CARB Jim Nyarady, CARB Quinn Langfitt, CARB