



CIPA

California Independent Petroleum Association

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***California Independent Petroleum Association Comments on the
November 2, 2023 Proposed '15-Day' Amendments to the
Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities***

Liane Randolph and Board Members
California Air Resources Board

November 17, 2023

Via hand delivery to CARB [docket](#).

Thank you for the opportunity to share comments related to the proposed '15-day amendments' package to the California Oil and Gas Methane Regulation, or COGR. This final step is necessary to improve the implementability, and secure Federal approval, of this regulation. California Independent Petroleum Association (CIPA) is a non-profit, non-partisan trade association that represents nearly 300 crude oil and natural gas producers, royalty owners, and service and supply companies who all operate in California under the toughest regulations on the planet¹. On behalf of our members we submit the following additional comments

As noted in previous comments, we appreciate that staff has been open and willing to discuss these amendments with CIPA in a transparent process. This effort led to early discussions and subsequent improvements, thus leaving this amendment package with mainly administrative updates to District rule adoption dates, and other non-substantiative changes.

During the rulemaking process, it was noted that future amendments to the rule may be forthcoming in a separate rulemaking effort. CIPA remains strongly opposed to any amendments in which in-state crude, produced under the strictest environmental standards in the world, is replaced with imported crude either by direct regulation or indirect impact. This effect is known as 'emissions leakage' and CARB is statutorily mandated to minimize it. The 2022 Scoping Plan Update explicitly states that reducing in-state production will lead to increased crude imports²—which bring port communities additional pollution burdens.

This regulation, as an adopted set of statewide standards and limits should be used by other state agencies as they address methane emissions from this sector. CIPA strongly requests that within the Final Statement of Reason, or adopting resolution that CARB states such intention as a fact. Other state agencies should not be allowed to implement different methane leak detection and emission standards, thus putting CIPA members in Double Jeopardy.

¹ The mission of CIPA is to promote greater understanding and awareness of the unique nature of California's oil and natural gas resources, and the independent producers who contribute actively to California's economy, employment and environmental protection.

² <https://ww2.arb.ca.gov/sites/default/files/2023-04/2022-sp.pdf>

Conclusion

The adopted 2022 Update to the AB 32 Scoping Plan acknowledges that California will need petroleum and natural gas fuels for many years, and that when in-state production is reduced faster than the demand reduction, GHG leakage occurs³. During this time, California should prioritize in-state supply. Any regulatory proposals that run counter to the ultimate goal of reducing GHG emissions worldwide should be discarded.

The last barrel of oil used in this state, should be produced in state. Thank you for continuing the dialogue with us. We look forward to working with CARB on this important topic.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rock Zierman', with a stylized flourish extending to the right.

Rock Zierman
Chief Executive Officer
California Independent Petroleum Association

³ <https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp.pdf> [pages 100-106]