METHANE EMISSIONS FROM CALIFORNIA'S NATURAL GAS SYSTEM

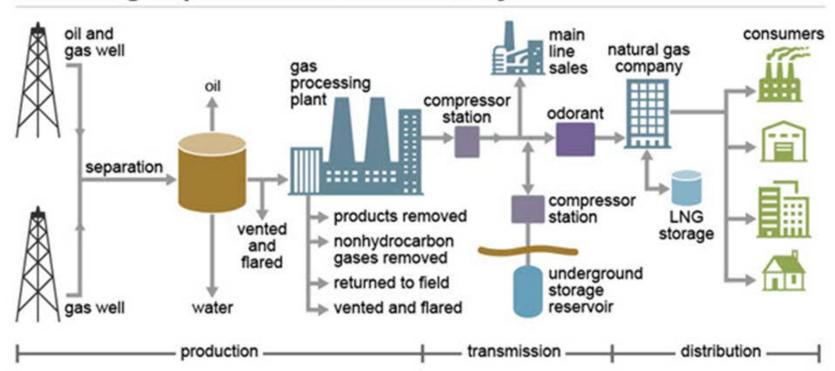
Symposium Overview and Context June 6, 2016







Natural gas production and delivery





National Perspective

- 26.8 trillion cubic feet of natural gas consumed in U.S.
 (2014)
- □ Five states account for 36% of total U.S. natural gas consumption (2014)
 - Texas—12.7%
 - □ California—8.6% (Gas Demand 6-11 MMcf/day)
 - Louisiana—4.9%
 - New York—4.9%
 - □ Florida—4.9%
- □ Top end-uses: Electric power (30%), industrial (29%) and residential (19%)



Natural Gas Consumed in California

- CA's Natural Gas comes from:
 - □ California (10%),
 - Canada (16%),
 - □ Southwest (38%),
 - Rocky Mountains (36%)
- Interest in CA emissions as well as emissions associated with imported NG



http://energyalmanac.ca.gov/naturalgas/interstate_pipelines.html



California-Based Efforts to Reduce Methane Emissions

- 2030 Greenhouse Gas Targets
- 2016 Integrated Energy Policy Report Update
- CPUC proceedings on natural gas transmission and distribution
- Short-Lived Climate Pollutant Strategy (SB 605, Lara)
- ARB Proposed regulation for GHG Emission Standards for Crude Oil and Natural Gas Facilities

Strategies reduce in-state emissions from oil and gas systems by 40-45%



California-Based Efforts to Understand Life Cycle Emissions of Methane

- Includes emissions from entire life-cycle for NG used in CA, both in and out of state
- Low Carbon Fuel Standard include life-cycle emissions (a methane "leakage rate")
- Informs other programs such as incentives
- ARB funded contract to evaluate life-cycle emissions



Moving Forward

Are there additional sources we should consider?

Are there any gaps that would better inform California-specific emissions?

Addressing emissions related to imported gas



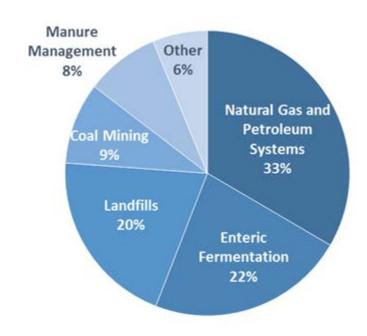
California Energy Commission's Integrated Energy Policy Report (IEPR)

- Biennial report with an update in even years
- Assesses and makes recommendations to the Governor and Legislature on trends and issues concerning electricity, natural gas, transportation
- 2016 IEPR Update to include "an assessment of the available studies...covering production, transmission, distribution, storage, and end-uses of natural gas."



Federal Action on Methane

- NG and Petroleum System make the largest contributions to CH4 in the U.S. (2016 GHGI)
- Climate Action Plan-Strategy to Reduce Methane Emissions (March 2014)
- Reduce methane emissions by 40-45% from 2012 levels by 2025
- Final NSPS
- Existing sources-Draft Information Collection Request



Note: All emission estimates from the

Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2014.



Methane Symposium Objectives

- Discuss the current science on life-cycle methane emissions from associated and dry natural gas used in California
- Determine research and policy gaps
- Inform future policy discussions to determine the next steps in reducing methane emissions from natural gas used in California



Symposium Agenda

- Session 1: Research Initiatives
- Session 2: Methane Measurements
- Session 3: Current and Emerging Technologies
- Session 4: Big Data and Natural Gas
- Session 5: Moving forward with effective policies
- Showcase (inside 2nd floor Monday/Tuesday) and outside-Tuesday only



METHANE EMISSIONS FROM CALIFORNIA'S NATURAL GAS SYSTEM





