



May 15, 2015

Elizabeth Scheehle, Chief
Joseph Fischer, Air Resources Engineer

Oil and Gas and Greenhouse Gas Mitigation Branch
California Air Resources Board
1001 "I" St. Sacramento, CA, 95814

Subject: ARB's new oil and gas rules should not allow operators to get by doing the bare minimum with annual inspections when other states, local districts, and some businesses themselves have shown that quarterly inspections are cost-effective and achieve better results for the environment.

Dear Ms. Scheehle and Mr. Fischer,

We appreciate the effort ARB has taken to draft this important rule to establish statewide greenhouse gas emission standards for methane reductions at oil and natural gas facilities. The state currently stands on the verge of once again making huge strides to improve the environment that Californians live and work in while helping set an example for other states, the federal government, and the world to follow. And, like many times before, we the environmental and public health community now look to your agency to take the necessary and appropriate steps to implement rules that protect the public from the damaging impacts of oil and gas exploration, production and transportation.

But, in contrast to ARB's usual leadership role, the current regulatory proposal for oil and gas regulations lags behind requirements in other states. Four states require operators to inspect and maintain their equipment on a quarterly basis: Colorado, Wyoming, Pennsylvania and Ohio. The Colorado, Pennsylvania and Ohio requirements apply to components that leak methane as well as other air pollutants, such as volatile organic compounds. Indeed, the proposed annual inspection option lags behind even local California air district requirements that require quarterly inspections as the baseline. We are pleased that ARB has proposed to fill an important gap in these local rules by requiring inspection of all components in hydrocarbon service—not just those with a certain VOC content--and has proposed to level the playing field among air districts by proposing a statewide rule. Unfortunately though, the proposal to allow operators of all sizes to choose a loose annual inspection option, as opposed to a rigorous quarterly inspection requirement, does not provide adequate assurance of compliance.

Californians deserve better than allowing oil and gas operators to choose to maintain equipment on annual inspection cycles. The science on methane is clear - it is nearly 84 times more potent than carbon dioxide at contributing to climate change, and just a few sources can be responsible for a significant portion of the overall emissions burden. Also, cost-effective solutions to reduce methane leaks are well documented - nearly 40% of emissions can be cut for pennies on the dollar. And, technology advancements are increasingly allowing operators to survey equipment faster and safer than traditional methods.

Numerous studies have found that equipment malfunctions and poor maintenance can lead to very significant emissions that are not reflected in emission inventories. Furthermore, operators often cannot predict with much accuracy when a seal will loosen, when someone will leave a hatch open, or when a piece of equipment will fail from fatigue. The only way Californians can be sure the air they breathe and the environment they live in are safe is when the state's regulatory agencies pursue approaches that are accepted in science and maximally protective. Please make sure this is achieved and implement quarterly inspection intervals within the new oil and gas rulemaking.

As each of the aforementioned arguments is evaluated, one thing is clear –for ARB to retain its status as a leader in air quality regulations and protect the people of the state, quarterly inspections at all oil and gas facilities, including well sites and compressor stations must be required.

Sincerely, (signatories listed alphabetically by organization)

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Timothy O'Connor
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