



Mark Nechodom, PhD

Vice President, Upstream Strategy

September 22, 2021

Mr. Matthew Botill
Division Chief
Industrial Strategies Division
California Air Resources Board

Re: WSPA Comments on 2022 Scoping Plan Update – Short-Lived Climate Pollutants Workshop,
September 8, 2021

Dear Mr. Botill,

Western States Petroleum Association (WSPA) appreciates this opportunity to provide comments on the September 8, 2021 workshop focused on Short-Lived Climate Pollutants. WSPA is a trade association that proudly represents companies that explore for, produce, refine, transport and market petroleum, petroleum products, natural gas, and other energy supplies in California and four other western states. Currently 152,000 men and women have careers in the oil and gas industry in California and 366,000 people have careers whose jobs depend on the industry. The industry in California contributes \$152 billion every year in economic activity and directly contributes \$21.6 billion in local, state, and federal tax revenue to support schools, roads, public safety and other vital services.

Our members have made significant contributions to reducing fugitive methane emissions and have actively participated in the development of the Oil and Gas Regulation (COGR) at CARB over the past several years. Our industry is committed to advancing cost effective, technologically feasible, and environmentally responsible solutions to reducing methane, known to be a significant climate forcing agent.

Progress Towards Emissions Reduction Targets for Oil and Gas Sector:

During the September 8th workshop, CARB stated that the fugitive emissions reductions from production and processing under the Oil and Gas Regulation are anticipated to be 36% (from 2013 levels), compared to the 2017 SLCP Strategy reduction goal of 40% by 2025 (from 2013 levels). No additional data was offered in the workshop to support the information provided. It is also unclear how these anticipated reductions relate to CARB's October 2020 Report on Oil and Gas Methane Regulation's 2018 Annual LDAR Summary at (<https://ww2.arb.ca.gov/sites/default/files/2020-10/2018%20LDAR%20Summary%2010-14-20.pdf>).

WSPA would like to understand the way the 4% shortfall was calculated. In addition, WSPA's members would like to request access to the emission reduction data by sub-sector to better inform our members' understanding of the calculations.

Scenario Modeling:

CARB mentioned that they will be conducting scenario modeling to evaluate how fugitive methane from oil and gas sources will change based on:

- The Governor's directive to phase out in-state oil and gas production by 2045 or sooner;
- Changes in natural gas demand; and
- RNG utilization in existing fossil gas infrastructure.

We would like to ask CARB to clarify the approach to this modeling. Pursuant to this request, we would offer the following questions and thoughts:

1. How will the Scoping Plan scenario modeling specifically model the methane emissions from the oil and gas production sector under different scenarios? Per the data shown during the workshop, the transmission, storage and distribution sector constitutes 75% of the methane emissions from the Oil and Gas sector. Can CARB achieve its reduction goals by focusing on the production sector specifically?
2. WSPA recognizes COGR and LDAR data sources exist. We encourage CARB to ensure that these datasets are appropriately leveraged in assessments of progress toward the 2030 target.

Again, we appreciate opportunities to participate in the Scoping Plan workshops and to provide comments as a part of the public record. Should you have any follow-up questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Nechodom', with a long horizontal flourish extending to the right.

Mark Nechodom, PhD