



Natural Gas Leak Abatement OIR

Workshop on Targets, Compliance and Enforcement

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- **PG&E is committed to increasing the environmental integrity of our systems**
- **To make targets meaningful, they should be developed within the following principles:**
 1. Optimize abatement → Focus on the major sources
 2. Optimize effectiveness → Align measures and objectives on other agencies' requirements

Optimize abatement by looking at and building upon measures in place to effectively improve emission reductions from the largest sources.

Coordinate with various efforts underway:

- PG&E voluntary signed for the Methane Challenge of EPA that sets targets to drive reductions
 - Phased-in implementation
 - Allows flexibility for Operators
- Proposed best practices within this proceeding
- Proposed Oil & Gas regulations and DOGGR initiatives
- Proposed Short Lived Climate Plan
- Efforts to increase carbon neutral natural gas
- Consistent and accurate quantification of blowdowns, leaks at customer meters, etc.

- Methane emission reduction is already in action
- Important to allow Utilities **time** to implement measures and develop a way to track progress
 - Need to establish cost recovery mechanisms for incremental activities
 - Need to ensure work is implemented the right way and quality checks are in place
 - Develop framework with the flexibility to incorporate new activities, utilize evolving technologies, and provide consistent reporting

PG&E supports initiatives, but recognizes implementing these change will take time.

Examples	
Blowdowns	Technical and reliability constraints
Leak Survey	Rate case outcomes vs. goal Technology
Leak Repair	Balancing application of resources towards safety or abatement work
Policies and Procedures	Develop and prioritize within overall scope. Align teams and ensure roll-out is effective

A **phased-in approach** will recognize that these investments don't happen overnight, provide opportunities to review targets and compliance over time to determine areas of improvement, and flexibility to adapt as new legislation approaches.

- Enhance measurement by end of 2017
- Develop workshops to drive implementation of best practices:
 - How we maximize reductions
 - Affordability of measures
 - Understanding balance between safety and emissions reduction work

- Support phased-in approach
- Believe proceedings and measures should be looked at holistically
- Measures should be reviewed prior to determining enforcement
- Ensure flexibility to review and update targets if needed
- Cost-Effective measures with recovery mechanisms are key!

Thank You

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