

# **SENATE BILL 1371 R. 15-01-008 WORKSHOP**

April 6, 2015

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# Senate Bill 1371 (Leno): Natural Gas Leakage Abatement Law Overview

*Effective January 1, 2015*

## *Utilities required to:*

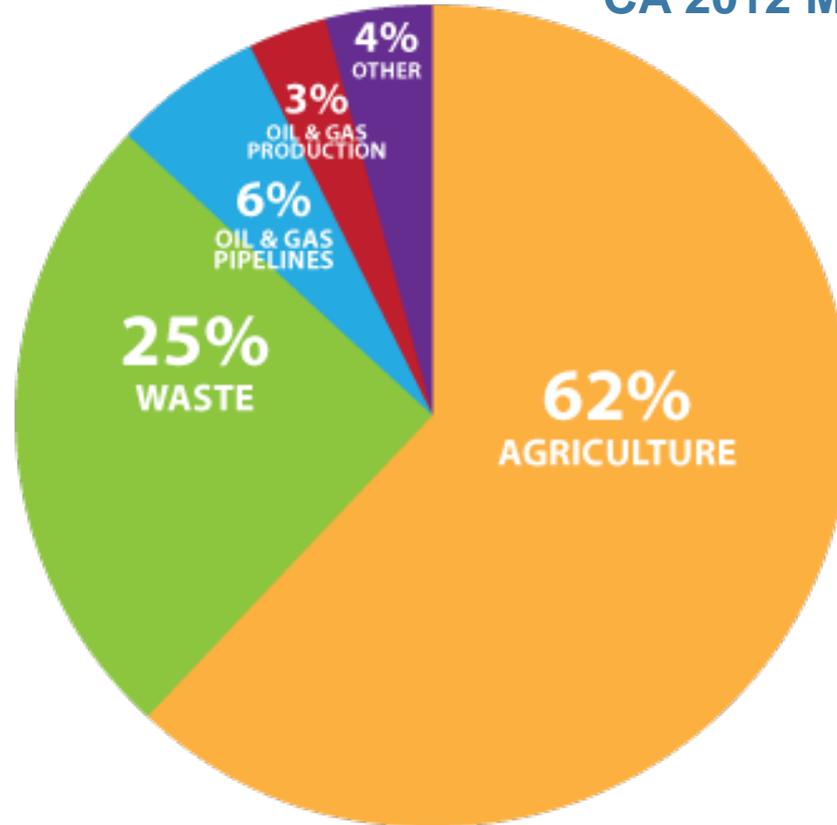
- Use best, most cost-effective technology
- Repair leaks ASAP after discovery
- Quantify, track, evaluate and report emissions
- Calculate and report annual leak rates + mitigation strategies

## *CPUC required to:*

- Establish and enforce best practices
- Evaluate existing practices
- Establish just and reasonable rates
- **Develop rules** prioritizing safety, reliability, and affordability of service

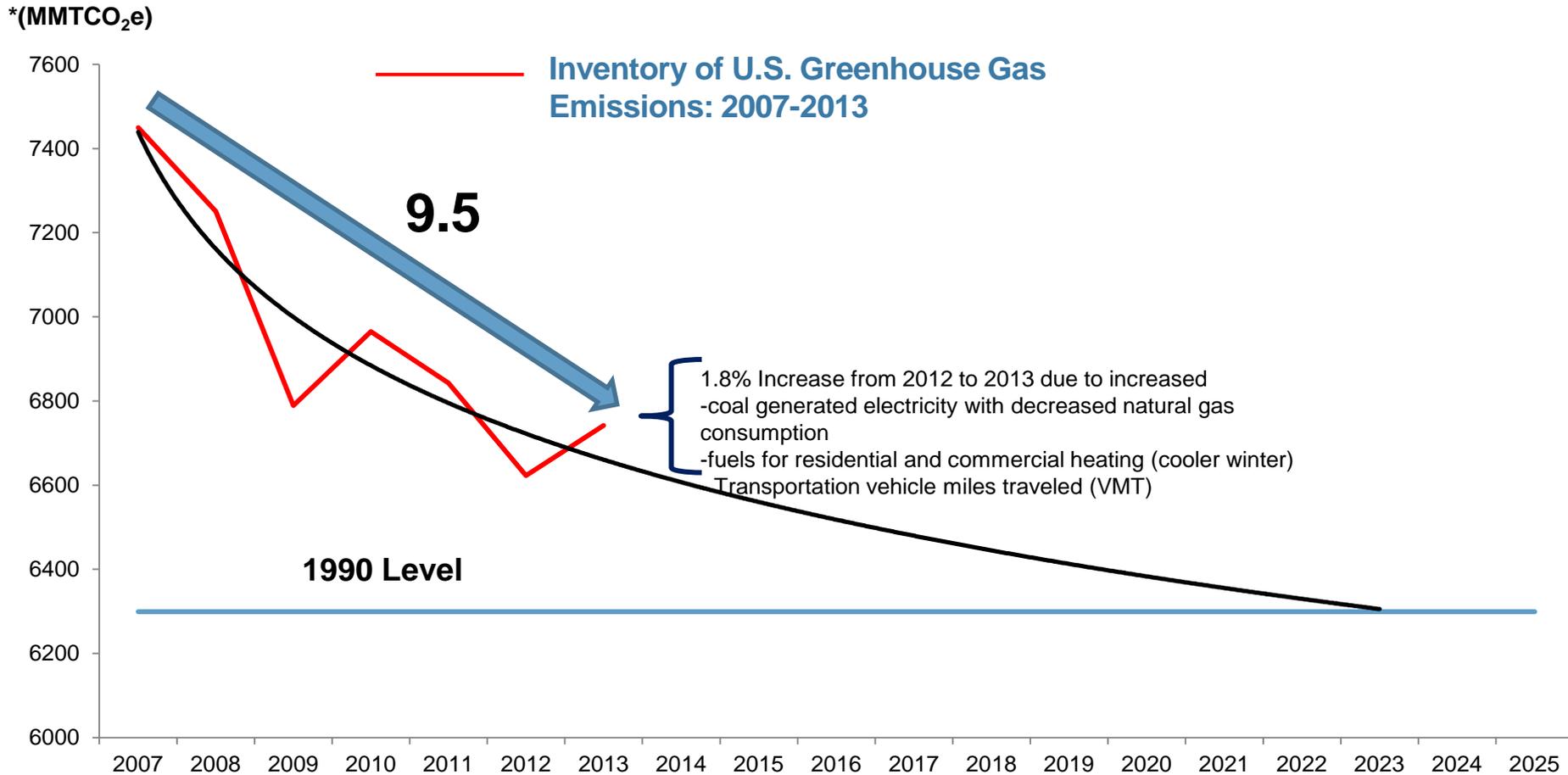
# Methane from Oil and Gas Pipelines is 6% of Total Methane Emissions in California

CA 2012 METHANE EMISSIONS\*



\*Source: California Air Resources Board (CARB) 2014 Greenhouse Gases Emissions Inventory

# Despite industry growth (600,000 miles of pipe; 17.5 million customers) EMISSIONS ARE DECREASING



Graph Data Source: ES-4 DRAFT Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990–2013 \*MMTCO<sub>2</sub>e=million metric tons of carbon dioxide equivalent

# CPUC Rulemaking Considerations Priorities

With priority given to **safety**, **reliability**, and **affordability** of service the commission shall adopt rules to achieve both of the following:

1. Minimize hazardous leaks consistent with safety regulations
2. Reduce emissions to ***maximum extent feasible*** to advance greenhouse gas reductions

# Recommended Process Moving Forward

## 1. Safety First

- Hazardous and Non-Hazardous leaks Currently Scheduled for Repair
- System Integrity Driven

## 2. Climate Change

- Schedule the Unintentional Non-Hazardous Leaks for Repair
- Identify Intentional Releases and Potential Emissions Reductions
- Allow Time for Technologies to Develop

## 3. Cost Effective

## 4. Timing and Stakeholder Input for Implementation