SENATE BILL 1371
R. 15-01-008 WORKSHOP

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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

*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

*(MMTCO\textsubscript{2}e)*

**Inventory of U.S. Greenhouse Gas Emissions: 2007-2013**

- 1.8% Increase from 2012 to 2013 due to increased
  - coal generated electricity with decreased natural gas consumption
  - fuels for residential and commercial heating (cooler winter)
  - Transportation vehicle miles traveled (VMT)

1990 Level

Graph Data Source: ES-4 DRAFT Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990–2013  
*MMTCO\textsubscript{2}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