California Public Utilities Commission

SB 1371 – R.15-01-008 Gas Leak Abatement Workshop

Baseline Adjustments

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January 22, 2021

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Overview

- Background
- Goal
- Considerations for Baseline Changes
- Quantification of Prior Year Amounts

Background

2015 Baseline - 6,601 MMscf established by Commission decision

The June 2017 Commission decision (D.17-06-015) ordered that:

- "The Natural Gas Leak Abatement Program Annual Reporting Framework contained in Section 5.2 … of this decision is adopted consistent with the process detailed below: The Commission's Safety and Enforcement Division (SED), in consultation with the Air Resources Board (ARB), shall direct the annual report process…"

This is interpreted to include the consideration and evaluation of any changes to 2015 Baseline emissions based on new methods of emissions accounting, better record keeping and information as well as updated factors used for estimating emissions.

Goal

Update Baseline balances

- In the least disruptive manner
- Reasonable and supportable changes
- Inform best estimate of Baseline for optimal resource allocation
- Continued focus on emissions reduction

Considerations & Issues

- Timing issues
  - One-time comprehensive versus annual adjustments
    - Moving target – shifting perception of improvements
  - Annual reporting cycle (November every year)
- Factors affecting the timing of Baseline changes
  - New discoveries/information/methods
  - Consensus on method for estimating baseline
  - Quantification of new baseline value

Drivers of Changes to Prior Year Amounts

Source of retroactive change candidates:

- New EFs
- Changes in methodology used to estimate emissions
- New information about infrastructure accounting
- Rectify errors

ISP Baseline Changes

Based on Information obtained through:

- Better measurements or where none existed previously.
- Quarterly Survey data from OGR.

ISP Emissions:

- Comprise 0.5% of total unadjusted 2015 Emissions.
- Proposed 2015 adjustments 11 MMscf increase or 36%

Impact on Compressor emissions and Component leaks:

- Compressor Emissions increase 7,994 Mscf (134%)
- Component Leaks increase 2,593 Mscf (102%)
- Component Emissions increase 410 Mscf (24%)

Proposed Adjustments to ISP Baseline

	Mscf			Proposed Adjustments to Baseline 2015 Emissions					Adjusted Emissions	
System Categories	Emission Source Categories	Volume (Mscf Natural Gas)	% of Total	CVGS	GRGS	LGS	WGS	Net Adjustment	Volume (Mscf Natural Gas)	% Change
Underground Storage	Storage Leaks & Emissions	-	0.00%	0.00	0.00	0.00	0.00	-	0.0	
	Compressor Emissions	5,946.0	19.77%	1,111.72	5,822.48	1,059.93	0.00	**7,994**	13,940.1	134.4%
	Compressor Leaks	398.0	1.32%	0.00	0.00	0.00	0.00	-	398.0	0.0%
	Blowdowns	19,221.3	63.89%	0.00	0.00	0.00	0.00	-	19,221.3	0.0%
	Component Emissions	1,726.1	5.74%	0.00	410.20	0.00	0.00	**410**	2,136.3	23.8%
	Component Leaks	2,539.8	8.44%	0.00	2,592.74	0.00	0.00	**2,593**	5,132.5	102.1%
	Dehydrator Vent Emissions	-	0.00%	0.00	0.00	0.00	0.00	-	0.0	
TOTAL		**30,083.2**	**100.00%**	**1,111.72**	**8,825.42**	**1,059.93**	**0.00**		**41,080.3**	**36.6%**

Small Utility Proposed Baseline Changes

The Exempt Small Utilities include Alpine and West Coast Gas who both had similar issues with the Customer Meter Emissions reported in 2015.

Alpine and WCG, both having a small number of customers, reported emissions based on the number of leaks found on their customer meters times the MSA population EF (0.148 Mscf/meter/year).

Alpine – 3 MSA's leaking 0.444 Mscf

WCG – 20 MSA's leaking (18-residential, 2-commercial) 2.766 Mscf

Their respective emissions if reported per CARB recommendation:

Alpine – 228 Mscf

WCG – 194 Mscf

Due to prospective MSA EF – Recommend waiting until New Utility EF finalized to use as a proxy for small utility EF.

Large Utility Baseline Changes

PG&E – Various adjustments previously identified E.G. Transmission pipeline blowdowns and components, Transmission M&R Stations and Storage Dehydrators. Net decrease of 66 MMscf.

Pending Approval and Quantification:

- Distribution M&R Station Method
- MSA Baseline Year EF
- DM&S pipeline EF

Large Utility Baseline Changes

SDG&E - Various adjustments previously identified E.G. Transmission M&R Stations, Transmission Component Emissions, and DM&S Pipeline leaks. Net decrease of 24.5 MMscf.

Pending Quantification:

- Distribution M&R Station Method

Pending Approval and Quantification:

- MSA Baseline Year EF
- DM&S pipeline EF (additional to previous adj.)

Large Utility Baseline Changes

SCG - Various adjustments previously identified E.G. Transmission Pipeline Component Leaks, Transmission Storage Tank Emissions, DM&S Pipeline leaks, Storage Component leaks and Dehydrators. Net decrease of 138.5 MMscf.

Pending Quantification:

- Distribution M&R Station Method

Pending Approval and Quantification:

- MSA Baseline Year EF
- DM&S pipeline EF (additional to previous adj.)

Large Utility Baseline Changes

SouthWest Gas

Pending Approval and Quantification:

- Distribution M&R Station Method
- MSA Baseline Year EF
- DM&S pipeline EF (additional to previous adj.)

Next Steps

1. Evaluate proposals – Determine Need for Additional Workshops
2. Make determination on proposals for 2020 data reporting by May 28, 2021.
3. Make determination on specific baseline adjustments – mid-summer.

Next Steps

Key Dates:

- February 5, 2021 – Workshop comments due
- February 19, 2021 – Reply comments due
- March 31, 2021 – Revised templates for 2021 NGLA reporting
- June 15, 2021 - Emissions Reports Due
- November 15, 2021 – Draft Joint Report Due

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