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August 31, 2026

Walter Ham
Chief, Monitoring and Laboratory Division
California Air Resources Board
1001 I Street
Sacramento, CA

RE: Signal Hill Petroleum, Inc.'s Comments Regarding the Discussion Draft Performance Standards for Continuously Operating Emissions Detection Systems Required by California Senate Bill 1137 for Upstream Oil and Gas Production Facilities in Health Protection Zones

To the Rulemaking Team:

Thank you for the opportunity to submit comments regarding the Discussion Draft Performance Standards for Continuously Operating Emissions Detection Systems. Signal Hill Petroleum (SHP) has reviewed the associated documents and has significant concerns as to whether the regulations as written are technically feasible and economically achievable. SHP supports the CIPA comment letter as we believe it addresses many of the specific challenges and uncertainties operators face in implementing the current draft regulations.

Signal Hill Petroleum has years of experience with emissions monitoring at our facilities and we hope that our expertise can be helpful in developing this regulation. We appreciate your time in coming to visit our facilities on July 10, 2025 and seeing firsthand how our operations have implemented similar solutions to ensure the safety of our surrounding community and the environment. As an urban oil and gas operator, we are in a unique situation being in such close proximity to our neighbors. As such, we prioritize the health and safety of our workers and our community above all. To achieve this, SHP has worked diligently, often in collaboration with local agencies, to test, develop and deploy air-monitoring technologies in our surrounding community. Additionally, the City of Signal Hill has conducted several publicly available studies that demonstrate our operations have no impact on the surrounding communities, including the **Signal Hill Petroleum Conditional Use Permit 97-03 Extension Draft Environmental Impact Report and Health Risks Due to Outdoor Air Exposure at Proposed Walnut Bluff Development (2025)**. This work is particularly important to SHP as we also serve as a major property owner and real estate developer within the community. SHP is not suggesting such efforts should exempt our

operations from the requirements of PRC 3283, but rather that these requirements can be achieved in a much more reasonable manner.

PRC 3283 requires “a continuously operating emissions detection system designed to provide for rapid detection of target chemical constituents to identify leaks before emissions impact the surrounding communities.” These proposed regulations go well beyond achieving this goal, including incredibly detailed specifications not feasible for many operations. Please see the Attachment C to CIPAs comment letter for an overview of the discrepancies between the statute and the proposed regulation. SHP understands that creating performance standards for the LDRP is the main goal of these draft regulations. However, many of the provisions in the discussion draft are not required by the statute and do not fully contemplate different types of operations throughout the state. CARB should not create costly prescriptive requirements unless it can demonstrate that each requirement is necessary, technically achievable, and proportionate to the actual risk of impact. CARB’s own technical review recognizes that the statute does not mandate a specific monitoring technology or detection method. The final regulations should preserve performance-based flexibility rather than create a single prescriptive engineering framework that may disproportionately affect certain operations.

Performance-Based, Scalable LDRP Proposals: Signal Hill Petroleum operates approximately 481 wells, 2 main production facilities, and multiple satellite production facilities, dispersed through a densely developed urban area surrounded by major freeways and roadways, industrial operations, commercial centers, and residential neighborhoods. The proposed requirements are simply not scalable for our urban well locations. Sensor technology may be commercially available and feasible at one site while still being impractical when replicated hundreds of times across the operations. If the draft regulations are interpreted or implemented to require a separate monitoring installation at each individual well site, the recurring cost to comply would have a material impact on our ability to continue operating. SHP has experience in deploying remote monitoring systems throughout our operations at a smaller scale and can attest to the difficulties in managing the site designs, power systems, telemetry, communications, calibration, data management, auditing, maintenance, and theft-protection of such systems due to a confluence of factors specific to urban environments. SHP strongly supports the objective to rapidly identify and respond to leaks that could affect nearby communities. We believe the best approach to achieve this is a performance-based, scalable LDRP that is proposed by the operator and approved by both CalGEM and CARB. Such a system may include group or area monitoring to encompass several distributed well sites or satellite facilities, allow shared meteorological and communications infrastructure, and alternative monitoring systems for low-risk sites. This would preserve the flexibility in the statutory requirements while ensuring all types of operators are able to comply.

Risk-Based Classification of Emission Source: Further, the draft regulations should consider a risk-based system for classifying the difference in possible emissions impact from main production facilities, small tank facilities, producing wells, idle wells, injection

wells, etc. Idle and injection wells have a much different risk profile than other equipment, allowing for more flexible monitoring procedures. This is particularly impactful as idle well sites and injection well sites typically do not include the power, communications, or instrumentation infrastructure that is often available at producing well sites and facilities. Importantly, both idle and injection wells have comprehensive testing and monitoring requirements already in place.

In addition to our broader concerns with these draft regulations, SHP has the following specific recommendations:

1. Remove the inclusion of injection equipment in this regulation. It was never the intent of SB 1137 to include water injection equipment, and it adds an excessive and unnecessary cost without providing any value. Water injection wells do not have associated fugitive emissions and no emissions can impact surrounding communities from these wells.
2. In section (b)(1)(E), instead of specifying types of equipment at each location, broaden the requirement to “operationally representative gas samples” and take the average of all samples. This allows flexibility per site regardless of equipment. The way it is currently written could require an excessive amount of samples which would result in roughly the same results. The gas-analysis companies we have spoken to are concerned that they would not be able to provide service to everyone needing samples because the demands are so great.
3. Air dispersion modeling goes far beyond the statutory requirements of identifying leaks before the emissions impact the surrounding areas. AERMOD has already been performed on most of our sites through the AB 2588 Toxic Hot Spots program and all our facilities have been classified as low priority. The purpose of AERMOD is to predict how emissions spread from emitting equipment to the surrounding neighborhood. Using already published wind data and knowledge from the operator and sensor specialists, the sensors can be sited appropriately to account for 90% of the potential exposure as required, without modeling. Additionally, the requirement in (e)(2)(B) to have at least two sensors for sites that show no exposure, eliminates the need for modeling and goes against the statutes purpose of identifying leaks before emissions impact the community.
4. The statute requires the Leak Detection and Response Plan to be “subject to review and approval by the division, in consultation with and with the concurrence of the State Air Resources Board”. Nowhere is there a mention of third party verifiers or a requirement for descriptions of the qualifications of individuals working on the plan. These two requirements add extra cost, time and resources, are not required by the statute, and do not contribute to the goal of “identifying leaks before emissions impact the surrounding communities.” CARB should explain why these additional

measure are necessary and why equivalent operator-performed work, subject to agency review, would not satisfy the statutory objectives.

5. The requirement to use TO-15A, Method 18 or API MPMS 14.1 to identify the toxic of highest concern is not possible as written. TO-15A is a test method developed for identifying very low concentrations of toxics in ambient air. The intent of 93504(b)(1) is to take gas samples directly from a source. Therefore a test method designed for ambient air speciation is not appropriate. This test method, compared to TO-15 is incredibly costly and specialized. Signal Hill Petroleum's local gas analyst, Strata Analysts Group, cannot perform TO-15A, nor do they have a partnering local laboratory that can perform this test (see attached letter). Method 18 and API MPMS 14.1 reports C chain concentration and does not speciate out specific toxics like benzene. Please consider allowing TO-15 or TO-15 SIM instead of TO-15A, as this is a small but significant difference in cost and feasibility and does not take away from the goal of this regulation.
6. There is no definition for "site" or "site specific". While it is important to allow for multiple different types of facilities, there should be some consensus to provide direction in creating an LDRP. Please include the following definition: "Site" means a location or operationally integrated group of locations containing oil and gas production or processing equipment proposed by the operator and approved through the LDRP.

CARB's technical documents acknowledge the limitations in field performance, siting constraints, background-emission interference, infrastructure requirements and substantial costs associated with these requirements. Those concerns are magnified for urban operators. We urge CARB to provide flexibility per operator, including allowing shared and representative monitoring approaches and a risk-based assessment of each site being monitored.

Thank you for your consideration of our comments. SHP looks forward to working in collaboration with CARB, CalGEM, and all interested parties to ensure these draft regulations achieve their statutory goals in a way that is feasible for all operators.

Sincerely,



Dave Slater
Signal Hill Petroleum, Inc.