

January 31, 2022

Marie Johnson
Specialist, Air Emissions
BC Oil and Gas Commission
PO Box 9331 Stn Prov Govt
Victoria, B.C., V8W 9N3
via email: Marie.Johnson@BCOGC.ca

Dear Marie:

Re: BC Methane Regulatory Review and 2022 Reporting Deadlines

The Canadian Association of Petroleum Producers and its members appreciate the opportunity to provide our initial comments into the 2022 regulatory review. The workshop hosted by the Oil and Gas Commission (OGC) on January 11 and 12 was well structured and provided great insights into recent and pending methane research. The Commission's *Proposed Plan to Review the Efficiency and Effectiveness of the Methane Reduction Requirements Prescribed in the Drilling and Production Regulation* is also appreciated for its clarity regarding, among other things, the purpose and scope of this review. In addition, the Federal government recently concluded that, based on provincial data, Canada is on track for its 2025 methane emissions reductions goals. CAPP and its members have always been confident in the province's methane regulations to achieve its targets. At the same time, we believe that there are good opportunities to increase the efficiency of BC's approach to methane emissions management, without impacting overall emissions reductions.

Opportunities to increase efficiency

In 2020 and 2021, leak detection and repair (LDAR) was a major focus of operator's methane abatement in BC. In 2021, operators experienced major challenges reporting 2020 LDAR data. The quantity of data requested by the Oil and Gas Commission (44 information fields) far exceeds that of any other Canadian jurisdiction (in comparison, Alberta OneStop methane submission features 9 information fields to achieve federal equivalency) and creates complex dependencies (e.g. should a single SurveyID be assigned to an LDAR survey completed on a single location featuring multiple facility IDs). This data quantity and complexity creates challenges for quality assurance and quality control.

2100, 350 – 7 Avenue S.W.
Calgary, Alberta
Canada T2P 3N9
Tel 403-267-1100
Fax 403-261-4622

1820, 275 Slater Street
Ottawa, Ontario
Canada K1P 5H9
Tel 613-288-2126
Fax 613- 236-4280

1004, 235 Water Street
St. John's, Newfoundland and Labrador
Canada A1C 1B6
Tel 709-724-4200
Fax 709-724-4225

202, 1110 Government St.
Victoria, British Columbia
Canada V8W 1Y2
Tel [778-265-3819](tel:778-265-3819)
Fax 403-261-4622

CAPP and its members recognize that it is important for the OGC to collect certain LDAR data to ensure regulatory compliance and to be able to estimate associated emissions reductions. At the same time, we believe that the current data collection far exceeds what could be considered “necessary data” and creates unnecessary challenges for both operators and the Commission. During the OGC hosted workshop on the 11th and 12th, the OGC referenced its own [Bulletin](#) which moved the date for BC LDAR reporting forward, from May 31 to March 31, 2022. The OGC stated that this was done in part because the Commission was challenged in 2021 to collect, debug, review, and interpret the data in a timely manner.

We suggest that moving the reporting deadline to March 31 is a sub-optimal approach to addressing the Commission’s challenges. Shortening the timeline to report will naturally increase data entry “rushing” and “stress”, two factors shown to increase the rate of data error.¹ Many BC operators rely on a small number of third party consultants to complete or support their LDAR surveys and reporting. These consultants may struggle under a shortened timeline, either to support reporting to the Commission or to distribute data to operators for their own submission. Exacerbating the timing challenge is a further narrowing of the reporting window given the current uncertainty on format until modifications to the eSubmission portal are completed by February 28. This leaves only 30 days to report and creates significant opportunity for both spreadsheet error and the potential for computer servers to be challenged by a mass of simultaneous reporting, potentially creating further errors. Finally, the OGC also notes that it recently made many modifications to its data intake and analysis systems.² While these changes will ideally improve the reporting process, it has been our experience that changes to internal data management are likely to pose their own errors and complications.

Combined, the accelerated timeline, changes to eSubmission, and modifications to OGC’s internal data management, create a significant opportunity for LDAR reporting and data analysis challenges in 2022. We do not believe this is a short-term challenge that will be overcome with experience. The volume of data being requested by the OGC is a major source of the challenge and should be addressed in order to decrease operator administrative burden and to increase the Commission’s ability to efficiently review LDAR data. We therefore make the following two recommendations:

¹ Research has shown that almost all spreadsheets contain errors, roughly at a rate of 1 to 5%. In addition, as spreadsheets that are reliant on human inputs grow, there is an increased likelihood of error. Spreadsheet errors can be compounded during the transfer process, from operator to the OGC, and they can inhibit data management and analysis. Raymond Panko has written extensively on spreadsheet error. *What We Don’t Know About Spreadsheet Errors Today: The Facts, Why We Don’t Believe Them, and What we Need to Do* (2015) is of particular relevance. Available at < <https://arxiv.org/ftp/arxiv/papers/1602/1602.02601.pdf> >. See pages 2, 5 and 12 in particular.

² 2020 Equivalency Report, *Agreement of the Equivalency of Federal and British Columbia Regulations Respecting the Release of Methane from the Upstream Oil and Gas Sector in British Columbia*, BC Oil and Gas Commission (2021) at Page 25

- 1. To minimize the potential for error in 2021 LDAR reporting data, immediately modify the submission timeline to provide at least 60 days between finalization of eSubmission changes and the reporting deadline.**
- 2. To permanently address the challenge, engage industry through the regulatory review to streamline LDAR reporting obligations to data that is *necessary* for compliance enforcement, emissions estimates, and equivalency reporting.**

In addition to modification to LDAR reporting obligations, we believe there is a growing opportunity to broaden approved LDAR technologies and methodologies under Section 41.1 of the Drilling and Production Regulation (DPR). Aerial survey technologies are becoming increasingly proven and are a preferred technology for both industry and regulators. Other emissions detection technologies are being developed and will be commercialized in the coming years.

Industry believes there is an opportunity for the OGC to incorporate additional and alternative LDAR detection methods, including aerial surveys, into the DPR with consideration of the technologies' detection thresholds and potentially modified survey frequencies. On this basis, we recommend:

- 3. Section 41.1 of the DPR to be amended to explicitly allow alternative LDAR approaches, including aerial surveys.**

We look forward to discussing a variety of potential regulatory amendments to increase regulatory efficiency on February 15th. Also, we would like to reiterate the value in updating the 2022 LDAR reporting timelines in a timely manner: industry is able to accelerate reporting this year as compared to 2021, but a reasonable timeline is required to ensure data quality and deadline achievement. If you have any questions please contact the undersigned at don.mccrimmon@capp.ca.

Sincerely,



Don McCrimmon
Manager, Air
Canadian Association of Petroleum Producers

Cc: Andrew Morgan, Executive Director, Regulatory Affairs & Corporate Strategy, BCOGC