



October 15, 2018

BC Oil and Gas Commission
 PO Box 9331 Stn Prov Govt,
 Victoria, B.C.
 V8W 9N3

Attn: Sean Curry, Vice President, Operational Policy & Environment

Via email: Sean.Curry@bcogc.ca

Dear Mr. Curry:

Re: Proposed Approach for Methane Regulatory Design

Thank you for the opportunity to provide a response to the “Proposed Approach for Methane Regulatory Design” that was presented at your workshop on September 14th. It is Canadian Natural’s desire to provide context to the discussion as well as offer constructive ideas on how to design methane regulations that will ensure that the oil and natural gas industry is an important part BC’s Clean Growth Strategy.

Canadian Natural is committed to helping industry achieve a 45% reduction in methane emissions by 2025. In fact, Canadian Natural and industry have dedicated significant effort to reduce venting and flaring from our operations and we look forward to continued engagement with OGC to ensure practical and cost-effective regulations. In combination with other initiatives such as the Clean Infrastructure Royalty Credit Program (CIRCP) and the BC offset system, we believe that BC can achieve significant reductions in methane emissions in a manner that maintains or improves our competitiveness.

Here are our comments on those elements of the proposed regulatory design for which we have input:

Regulatory Element	OGC Proposed Approach	Recommendation
Pneumatic devices – new facilities	Zero vent from January 2021 onward.	<p>There may be a small number of applications where zero vent is relatively high cost (e.g., single well site with one or two controllers). Recommend a similar allowance as with the draft AER D-60, whereby up to 10% of new controllers installed in a given year could be low-bleed.</p> <p>Can OGC clarify the proposed threshold for low-bleed pneumatic devices (e.g., 6 scfh), and</p>

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		confirm whether this rate will be determined based on manufacturers' specifications, or other data such as the Prasino 2013 study on BC pneumatics.
Pneumatic devices – existing facilities	Retrofit to low bleed by January 2022	Extend retrofit deadline to January 2023 to align with ECCC and Alberta requirements. We encourage MEMPR to continue with future rounds of the CIRCP.
LDAR	3 times per year at batteries, compression stations, gas plants and multi-well pads	Reduce the frequency to once per year for gas plants and compressor stations, and once every other year for batteries and multi-well pads. We believe that more frequent LDAR is a relatively high abatement cost.
SCVF	Reduce serious SCVF limit to 100 m ³ /d	Retain current 300 m ³ /d limit because cost per tonne of avoided emissions is relatively high, especially at rates closer to the 100 m ³ /d value.

Thank you again for the opportunity to provide comment. Please contact me at andrew.higgins@cnrl.com for any clarification or additional information.

Sincerely,



Andrew Higgins
Supervisor, Environmental Operations

Cc: Bill Clapperton, Vice President – Regulatory, Stakeholder and Environmental Affairs