Summary of Senate Bill 380 (Chapter 14, statutes of 2016)

Senate Bill 380 was authored by Senator Fran Pavley, with Principal coauthors Senators Kevin De León and Bob Huff, and coauthors Senators Ben Allen, Bob Hertzberg, and Assembly Member Scott Wilk.

SB 380, signed by Governor Brown on May 10, 2016, includes the following provisions:

- Continues the natural gas injection moratorium already in effect by order of the State Oil and Gas Supervisor until a comprehensive safety review of all wells is complete.

- Requires that the moratorium will stay in effect until all of the following conditions are met:
  1. All wells proposed to be used for injection are comprehensively tested according to a regime developed by the Division of Oil, Gas, Geothermal Resources (the Division) in consultation with independent experts. The tests must include leak detection, corrosion (casing thickness), casing deformity detection, a measurement of the cement bond on the exterior of the casing, and a pressure test to ensure mechanical integrity.
  2. All wells at the facility must be in one of the following categories:
     a) The well is not leaking and has passed four additional comprehensive evaluations proving its internal and external integrity.
     b) The well is not leaking and has been temporarily plugged and isolated from the gas reservoir.
     c) The well is permanently plugged with cement and not leaking.
  3. The Division of Oil, Gas, and Geothermal Resources (the Division) must hold at least one duly noticed public meeting prior to making a final determination about the safety of the facility.
  4. Requires the Executive Director of the California Public Utilities Commission (CPUC) to concur in writing with the Division’s determination of safety prior to allowing injection to commence.

- Requires that all test results be published on the Division of Oil, Gas, and Geothermal Resources (the Division) website.

- Requires the State Oil and Gas Supervisor to set new reservoir pressure limits.

- Requires the CPUC to open by July, 2017 a proceeding to evaluate the feasibility of minimizing the use of or eliminating the facility.

Full text of the legislation can be found here.