



DEPARTMENT OF CONSERVATION

News Release

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FOR IMMEDIATE RELEASE NR#2016-06
March 18, 2016

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STATE OIL & GAS DIVISION ISSUES \$75,000 FINE TO OPERATOR FOR ILLEGALLY VENTING NATURAL GAS

LOS ANGELES – State regulators have issued a \$75,000 civil penalty order to The Termo Company for illegally venting natural gas in the Aliso Canyon field. The California Division of Oil, Gas, and Geothermal Resources [levied \\$25,000 penalties](#) for each of three violations, noting that not only did the gas venting appear to be intentional, but also that the operator tried to hide it.

The leak was discovered when the Jet Propulsion Laboratory and South Coast Air Quality Management District flew over the field on January 23 with a forward looking infrared (FLIR) camera. Oil and gas division personnel were dispatched to the site to find the source of the leak.

“Someone clearly made an effort to conceal the pipe, because even though we knew from aerial readings where it was generally, our field staff had to search carefully before finding it behind a tree,” State Oil & Gas Supervisor Ken Harris said. “If it wasn’t for the aerial surveillance, the illegal discharge could have continued indefinitely.”

The source of the leak was the terminus of a pipeline measuring approximately 2½ inches in diameter. A Termo employee advised inspectors that the pipeline was part of an emergency relief system and was being used because the natural gas Termo produces along with oil could not be transmitted to the Southern California Gas Company’s storage facility. Injection has been halted into the Aliso Canyon field under Division orders until all the wells [have been tested](#). The operator closed a valve on the pipeline in question, which diminished but did not halt the flow of gas.

Division inspectors returned on January 28 to find that the operator had removed the pipeline, which had been connected only to the wellhead, indicating the venting was intentional. Termo was cited for three violations: unreasonable waste of gas, improper disposal of oil field waste, and failure to maintain and monitor the production facility.

The Department of Conservation’s mission is to balance today’s needs with tomorrow’s challenges and foster intelligent, sustainable, and efficient use of California’s energy, land, and mineral resources.

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According to the penalty order, “once the pipeline was discovered, Operator destroyed the evidence of its existence before division personnel could fully inspect it. The brazen nature of this violation shows that Operator held little to no regard for the statutes and regulations or, more importantly, public health and safety.”

The Division is continuing to investigate the incident, and additional findings of violations are possible. It is unclear how long the venting occurred or how much gas was vented. Current law caps the penalty amount the Division can assess at \$25,000 per violation. Assembly Bill 2756, jointly authored by Assemblymembers Tony Thurmond (D-Richmond) and Das William (D- Santa Barbara), would allow the Division to substantially increase civil penalty amounts for regulatory violations. The bill is currently being considered in the Legislature and has the support of the Division.

The Division, part of the [Department of Conservation](#), oversees the drilling, operation, maintenance, and plugging and abandonment of oil, natural gas, and geothermal wells in California. The regulatory program emphasizes the wise development of oil, natural gas, and geothermal resources in the state through sound engineering practices that protect the environment, prevent pollution, and ensure public safety.

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