

Department of Conservation NEWS RELEASE



FOR IMMEDIATE RELEASE
June 29, 2018
NR# 2018-06

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State Finalizes Underground Gas Storage Regulations

SACRAMENTO – State regulators have finalized [rigorous new regulations](#) for underground natural gas storage aimed at protecting health and safety, concluding an effort that began during the Aliso Canyon leak of 2015-16. The regulations will become effective October 1, 2018.

“Our new regulations put the emphasis on proactively preventing leaks, and we believe they are the strongest protocols for natural gas storage in the U.S.,” State Oil and Gas Supervisor Ken Harris said. Harris leads the Division of Oil, Gas, and Geothermal Resources (DOGGR), part of the California Department of Conservation.

“The best science and engineering, as well as significant input from a broad spectrum of the public, went into developing these regulations,” he continued. “Our overriding goal is to ensure we keep the public and the environment safe, and prevent any future Aliso Canyon-like incidents.”

The new regulations take the place of emergency rules that have been in effect since early 2016. The regulations establish:

- ◆ Well construction standards specifically for wells that are drilled into an underground gas storage reservoir.
- ◆ Mechanical integrity testing designed to detect an anomaly before it becomes a problem.
- ◆ A requirement for a real-time data-gathering system, including alarms that will alert the operator to pressure changes that indicate a potential emission.
- ◆ Production and withdrawal through designated production tubing only, rather than through both tubing and the surrounding space (annular space) inside the cement casing, to make sure that no single point of failure in a well can cause a release of gas into the atmosphere.
- ◆ Standards and specifications for risk management and emergency response plans for underground gas storage projects. Contingencies such as earthquakes, hazardous material spills, sabotage, explosions, and fires must be considered. Topography, wind patterns, and nearby infrastructure and development must also be

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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considered in the plans.

- ◆ Monitoring and inspection requirements to ensure early detection of any indication of integrity concerns. This includes continuing practices required under the emergency regulations, such as the use of infrared imaging to spot leaks and daily inspections of gas storage wellheads.

- ◆ Standards and specifications for project data, including technical documentation of geologic conditions and well schematics. These data and analyses will demonstrate to DOGGR's satisfaction that stored gas will be confined to the approved zone or zones of injection.

- ◆ A protocol for operators' record retention and management as well as the inspection, testing, and maintenance of wellheads and valves.

- ◆ Protocols for the decommissioning of an underground gas storage project.

California has 12 underground natural gas storage fields with a total working gas capacity of 375 billion cubic feet. Working gas refers to the volume that can be withdrawn from a storage facility during an autumn-winter period and injected back into the storage during the spring-summer period.

“Although California is a recognized world leader in the use of renewables, natural gas is still a significant source of energy that provides air conditioning in the summer and heat in the winter,” Harris said. “In accordance with our [Renewal Plan](#) to improve our regulatory practices, we have created a program specifically for natural gas storage, hired new inspectors and engineers, and will do everything we can to ensure Californians that oil, gas, and geothermal energy are being produced and stored in a manner that protects their safety and the environment.”

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