### CalGEM CEQA FAQs

March 26, 2025

#### What is CEQA?

The California Environmental Quality Act (CEQA) is a statute that requires state and local agencies to identify the significant environmental impacts of projects they have discretion in carrying out or approving and to avoid or mitigate those impacts, if feasible. Information on the requirements of CEQA is available at <a href="Public Resources">Public Resources</a> Code, § 21000 et seq.

The laws and rules governing the CEQA process are contained in the CEQA statute (Public Resources Code Section 21000 et seq), the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq), published court decisions interpreting CEQA, and locally adopted CEQA procedures

#### What are the CEQA Guidelines?

The CEQA Guidelines are the regulations that explain and implement provisions of CEQA. The CEQA Guidelines are at <u>Cal. Code of Regs.</u>, tit. 14, § 15000 et seq.

### When must CalGEM comply with CEQA?

CalGEM must comply with CEQA before undertaking or approving a discretionary "project" that involves oil, gas, or geothermal activities. A "project" is an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect change in the environment. CEQA requires environmental review before, for example, CalGEM:

- Approves a notice of intention (NOI) to drill, rework, or plug and abandon a well;
- Approves an application for a geothermal project;
- Issues or amends a project approval letter for an underground injection control or underground gas storage project;
- Approves and NOI for remedial or emergency measures on a well; or
- Adopts or amends regulations.

#### What is CalGEM's role in complying with CEQA?

Under CEQA, CalGEM's role changes depending on if it is the Lead Agency or a Responsible Agency.

CalGEM may be the Lead Agency for projects that did not undergo prior environmental review under CEQA. As Lead Agency, CalGEM coordinates the CEQA review of the project with Responsible Agencies and Trustee Agencies and determines the level of environmental analysis required. The levels of environmental analysis are (1) finding that the project is exempt from CEQA review and if not, (2) preparing or requiring an Initial Study and negative declaration (ND), mitigated negative declaration (MND), or environmental impact report (EIR).

CalGEM is a Responsible Agency when carrying out or approving an activity that is a part of a larger project for which another public agency conducted CEQA review and

prepared an ND, MND, or EIR. CalGEM typically relies on the ND, MND, or EIR to carry out or approve the activity or finds that it is exempt from CEQA review. CalGEM reaches its own conclusion on whether and how to approve the larger project's activities that fall within the CalGEM's authority. In limited circumstances, CEQA requires CalGEM to supplement the Lead Agency's ND, MND, or EIR with additional analysis.

A flowchart generally describing Lead and Responsible Agency roles is available at: <a href="https://www.conservation.ca.gov/calgem/CEQA/Documents/CEQA Process Flowchartopp.">https://www.conservation.ca.gov/calgem/CEQA/Documents/CEQA Process Flowchartopp.</a>

## If another Lead Agency exempts a project, does this count as a prior environmental review that CalGEM must rely on?

CEQA law and regulations require each agency to review a project and make its own CEQA determination on the project. They also call on CalGEM to assume the role of Lead Agency when the prior Lead Agency did not prepare an ND, MND, or EIR or equivalent. Cal GEM will consider another Lead Agency's exemption of a project in reviewing the project. However, as Lead Agency, CalGEM may determine that the project is not exempt.

#### What is the purpose of a CEQA project description?

A CEQA project description is a clear and concise narrative statement that a project applicant submits with the project application to describe the proposed project. The project description must capture the whole of the action that has a potential to result in a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

A well written CEQA project description is important for two key reasons. First, it is the starting point for CalGEM's CEQA review, which includes identifying potential environmental impacts and determining the appropriate level of environmental analysis (exemption, ND, MND, or EIR). Second, any Responsible Agency that grants subsequent approval for the project would use the project description in determining whether to rely on any ND, MND, or EIR that CalGEM approved or certified.

#### What are the elements of a CEQA project description?

The basic elements of a project description submitted to CalGEM typically are:

- Project name;
- Operator name;
- Project proposal;
- Project location;
- Environmental setting;
- Any local and federal agency requirements (e.g., permits or other approvals necessary to implement the proposed project); and
- Aerial photos/maps.

For more information, see "<u>CalGEM's CEQA Guidance for Operators, CEQA Project</u> Descriptions"

### What is CalGEM's CEQA preliminary review process?

As Lead Agency, CalGEM must determine whether a proposed project is exempt from CEQA or requires further environmental review. CalGEM relies on the project description and other documentation that are part of the proposed project's application file to determine whether to rely on an exemption.

If CalGEM determines during the preliminary review process that a proposed project is exempt, and that no exceptions to the relied upon exemptions apply, CalGEM may file a notice of exemption with the State Clearinghouse. When CalGEM determines that a proposed project is not or might not be exempt, CalGEM requires an Initial Study and determines whether to prepare an ND, MND, or EIR for the project.

#### What is a CEQA exemption?

CEQA and the CEQA guidelines exempt certain classes of projects from CEQA review. A project exempt from CEQA does not require an Initial Study and ND, MND, or EIR. There are two primary types of exemptions:

- <u>Statutory Exemptions</u> apply to projects that the California Legislature has excluded from CEQA consideration regardless of environmental impacts.
   CalGEM commonly considers the ongoing project exemption (Pub. Resources Code, §§ 21169, 21171; Cal. Code Regs., tit. 14, § 15261.)
- Categorical Exemptions apply to projects that generally do not have a significant effect on the environment. CalGEM commonly considers the following categorical exemptions: Class 1, existing facilities (Cal. Code of Regs., tit. 14, § 15301; Cal. Code Regs., tit. 14, § 1684.1); Class 2, Replacement or Reconstruction (Cal. Code of Regs., tit. 14, § 15302); Class 4, minor alterations to land (Cal. Code of Regs., tit. 14, § 15304; Cal. Code Regs., tit. 14, § 1684.2); Class 7, protection of natural resources (Cal. Code of Regs., tit. 14, § 15307); and Class 8, protection of the environment (Cal. Code of Regs., tit. 14, § 15308).

There are exceptions to applying categorical exemptions at Cal. Code of Regs., tit. 14 § 15300.2 that CalGEM must consider. They relate to:

- Project location in a particularly sensitive environment or hazardous waste site;
- Cumulative impacts;
- Significant effects due to unusual circumstances;
- Damage to scenic highways; and
- Impacts to historical resources.

May an applicant request that its proposed project be found exempt from CEQA?

Upon submission of project, a project applicant may request that CalGEM consider finding the proposed project exempt from CEQA review and should provide supporting documentation with the request. However, CalGEM must independently determine

whether an exemption applies and, in most cases will not reevaluate if an exemption applies.

## Is the drilling of new wells within the boundaries of an existing or well-established oil and gas field exempt from CEQA review?

CalGEM acknowledges boundaries of fields for administrative reporting purposes (e.g., production reporting), not for determining whether to apply an exemption. The drilling of the new well will require CEQA review unless the activity falls within the scope of an existing ND, MND, or EIR or an exemption applies.

## If CalGEM has relied on a CEQA exemption for a past project that is similar to a new proposed project, will CalGEM find the new proposed project exempt?

Not necessarily. CalGEM considers CEQA compliance on a project-by-project basis. Factors relevant to determine whether an exemption applies can change over time (e.g., legal requirements, environmental conditions). Further, CalGEM's access to information can increase over time. As a result, a project that qualified for an exemption in the past might not qualify for the same exemption today.

### What is an Initial Study?

A Lead Agency uses an Initial Study to determine whether a proposed project may have a significant effect on the environment and whether to prepare an ND, MND, or EIR. An Initial Study must reflect the Lead Agency's careful and independent judgment. An Initial Study is not necessary if CEQA clearly requires an EIR but could still help in understanding potential environmental impacts.

An Initial Study must consider all phases of project planning, implementation, and operation and be based on scientific and factual data. Applicants should complete the "Appendix G: Environmental Checklist Form" and "Appendix H: Environmental Information Form" of the CEQA Guidelines in preparing an Initial Study. The Checklist considers several environmental factors, such as agriculture and forestry resources, air quality, biological resources, cultural resources, and energy. For each factor, the Initial Study must identify the significance of the potential environmental impacts and feasible mitigation to avoid or lessen them. The Form gathers information about the proposed project, including its location, size, proposed use, associated permits, and potential environmental impacts.

The public has an opportunity to comment on the Initial Study when it is circulated for public review with the draft ND, MND, and EIR for the proposed project.

#### What is a Negative Declaration or Mitigated Negative Declaration?

An ND or MND describes a proposed project and why it will not have a significant effect on the environment. An ND is appropriate when an Initial Study finds that the proposed project will not have a significant environmental effect. An MND is appropriate when the Initial Study identifies one or more potentially significant effects on the environment that can be avoided or mitigated to a less-than-significant level through project revisions or implementation of identified mitigation measures. The

project applicant must agree to the project revisions or mitigation that reduce or avoid the effects.

### What is an Environmental Impact Report?

An EIR is a detailed document that analyzes (1) the significant environmental effects of a proposed project, (2) mitigation measures to avoid or lessen the effects, and (3) alternatives to the proposed project. An EIR is typically prepared when an Initial Study finds that a proposed project has the potential to create significant effects on the environment and one or more of the effects is significant and unavoidable even with mitigation.

## May an operator work with CalGEM to develop a ND/MND or EIR prior to submitting an NOI or application?

Yes. CalGEM encourages project applicants to consult with CalGEM's CEQA Program prior to moving forward on a draft ND/MND or EIR. A project applicant will need an SB 1137 determination from the CalGEM district in which the project is located before CEQA Program staff can consult with the applicant.

May a group of operators work with CalGEM to develop a joint ND/MND or EIR? Yes. A group of operators may work with CalGEM to develop a joint ND/MND or EIR. Doing this could benefit the operators and CalGEM by reducing the time it would take to draft and approve a single environmental document versus multiple environmental documents. Operators will need an SB 1137 determination from the CalGEM district in which the project is located before CEQA Program staff can review an ND/MND or EIR.

Does CEQA apply to projects on Bureau of Land Management and other federal lands? Yes. Proposed projects on federal lands are subject to CEQA even when federal law requires federal environmental review.

## Does CalGEM require CEQA review for a project when the federal government already created a NEPA document?

Yes. CalGEM must conduct CEQA review even when there is a National Environmental Policy Act (NEPA) document. Proposed projects on federal land must comply with CEQA and NEPA. While NEPA and CEQA are similar, they have separate and distinct requirements for environmental review.

Can CalGEM use existing scientific studies in lieu of an Initial Study, ND, MND or EIR? No. CalGEM cannot use existing scientific studies as or in lieu of an Initial Study, ND, MND, or EIR. A CEQA review must consider the whole of an action that may cause a direct, or reasonably foreseeable indirect, physical change in the environment. Scientific studies typically are limited to a subset of activities or impacts of a proposed project, rather than those of the entire project. Moreover, CEQA establishes detailed requirements for what an Initial Study, ND, MND, or EIR must contain.

CalGEM can rely on existing studies in preparing an Initial Study, ND, MND, or EIR. Most importantly, the studies can assist CalGEM in identifying and describing a proposed project's potential environmental effects and appropriate mitigation. Accordingly, a project applicant may submit existing studies with the proposed project application.

Can an operator's Incidental Take Permit replace the need to comply with CEQA? No, although the permit and information or ND, MND, or EIR related to the permit can assist in evaluating environmental impacts and developing conditions of approval or mitigation for the proposed project.

Can a ND, MND, or EIR from a prior project cover a new proposed project?

It is possible that an ND, MND, or EIR from a prior project may cover a current project. A project applicant should submit any final ND, MND, or EIR, including supplemental, subsequent or recirculated EIRs, that may cover the proposed project to CalGEM as part of the project application. CalGEM will consider the ND, MND, or EIR to determine whether the proposed project falls within the scope and whether any additional information is needed to comply with CEQA.

Can an applicant group oil and gas applications (NOIs) for a single CEQA review? Yes. A project applicant can and should group NOIs for CalGEM to consider them in a single CEQA review. Grouping NOIs often reduces the overall time to review the NOIs under CEQA. To group NOIs, write one CEQA project description that lists all the wells and describes the associated oil and gas activities. CalGEM encourages applicants to group multiple wells with similar locations in singular project descriptions.

### How long is the CEQA review process?

The time to complete the CEQA review for a proposed project depends on the project activities involved and the CEQA Program having complete and accurate information submitted by the project applicant. Other factors include tribal consultation, CalGEM staffing and workload, coordination with other agencies, and any changes to existing law. See the CalGEM's CEQA Processing NOI flowchart for more information.

#### What can an applicant do to facilitate an efficient CEQA review process?

To facilitate efficiency in CalGEM's CEQA review process, a project applicant should:

- Read CalGEM's CEQA Guidance for Operators, CEQA Project Descriptions.
- If there is more than one NOI in the same oil field with comparable project description, group the NOIs;
- Submit an NOI and application with accurate and complete information.
   Complete information includes: CEQA project description, including all necessary application materials, as previously described in these FAQs and on CalGEM's CEQA webpage; <a href="https://www.conservation.ca.gov/calgem/CEQA">https://www.conservation.ca.gov/calgem/CEQA</a>
- Submit copies of environmental documents associated with the project;
- Consult with Responsible and Trustee agencies prior to submitting one or a group
  of NOIs. Submit documentation you received from these agencies on potential
  environmental impacts to CalGEM; and
- Prior to drafting an IS and ND, MND, or EIR for a proposed project that is not exempt from CEQA review, request, via email at CEQA@conservation.ca.gov, to meet with CalGEM CEQA Program staff to discuss the proposed project and next steps.

#### What is Tribal notification and how long can it take?

CEQA requires a Lead Agency to consult with Tribes, when a project is not exempt from CEQA, to address potential impacts to tribal cultural resources. The tribal consultation period is generally 90 days. If a Tribe expresses interest in a project the time it takes to complete tribal consultation process may be longer than 90 days.

#### Does the CEQA Program send operators progress updates on their projects?

Yes. CEQA staff sends an operator a CEQA project update email when a project passes a step in the CEQA review process. The email is sent from "ceqa@conservation.ca.gov" and a copy CalGEM's CEQA Processing NOI flowchart, which shows CEQA processing steps, is attached to the email, so the operator can see where their project is in the process.

Here is a copy of <u>CalGEM's CEQA Processing NOI flowchart</u>.

#### How can I obtain a CEQA status update on my project?

District staff or an operator may send an email to "ceqa@conservation.ca.gov" to obtain a status. The email should include the operator's name, WellSTAR form Identification number for each NOI in the project, API number for each well, and the type of project, such as underground injection control, or new drill. Since CalGEM CEQA Program staff send operators progress updates on their projects, responding to a request for a project update is a low priority for CEQA staff.

If a project involves an integrity issue with a plug and abandonment, rework, or sidetrack, check with the district. Districts handle most of these project types.

### Can CEQA staff prioritize an operator's project?

CEQA Program staff cannot prioritize one project over another, nor can they move an operator's project up the list for review over other operators' projects.

## How long do I have to respond with information requested in an email from CEQA Program staff on my NOI or project?

For proposed projects that require additional information:

- 1. CEQA Program staff will email the operator representative(s) identified as part of the proposed project and request the required additional information.
- 2. If the operator does not provide an adequate response to the initial request within five (5) business days, CalGEM staff will follow up with a final email to again request the required additional information.
- 3. If after an additional five (5) business days, the operator has not provided an adequate response to the request to the satisfaction of CEQA Program staff, the proposed project will be returned to the operator in WellSTAR or via email. After the proposed project is returned, an operator may resubmit the returned proposed project that includes the required additional information.

For additional information see Notice to Operators (NTO) 2025-01 at: <a href="https://www.conservation.ca.gov/calgem/for\_operators/Pages/NoticetoOperator.aspx">https://www.conservation.ca.gov/calgem/for\_operators/Pages/NoticetoOperator.aspx</a> If you require more than 10 business days to obtain information requested by the CEQA Program staff, your proposed project will be returned.

## Will the CEQA Program hold a project for more than 10 business days at the request of an operator?

No. As stated in NTO 2025-01, for a project where it will require more than 10 business days for an operator to provide the CEQA Program the requested information, a project will be returned to the operator. The CEQA Program encourages an operator to resubmit a proposed project when all the information is complete.

### Does the CEQA Program review projects for compliance with SB 1137?

No, the CEQA Program does not review projects for SB 1137 compliance. SB 1137 compliance is done in the districts prior to CEQA Program review of project. If a project is subject to SB 1137, the CEQA Program will conduct CEQA review after the district completes the SB 1137 review.

#### Where should questions about SB 1137 be directed?

Questions about SB 1137 should be directed to the district. Additional information about SB 1137 can be found at:

https://www.conservation.ca.gov/calgem/Pages/SB1137.aspx

https://www.conservation.ca.gov/calgem/for operators/Pages/NoticetoOperator.aspx

#### Where can an operator find out the status of a permit?

Questions about permits should be directed to the district in which the project is located.

#### How can an operator update contacts in WellSTAR?

Updates to an operator's contacts in WellSTAR can only be done by the WellSTAR team. For more information see CalGEM's WellSTAR webpage at: https://www.conservation.ca.gov/calgem/for operators/Pages/WellSTAR.aspx

### Where can I find additional resources regarding CEQA and the CEQA Guidelines?

- The Governor's Office of Land Use and Climate Innovation website: https://lci.ca.gov/
- The Association of Environmental Professionals handbook on CEQA and the CEQA Guidelines: <a href="https://www.califaep.org/statute\_and\_guidelines.php">https://www.califaep.org/statute\_and\_guidelines.php</a>

## Who can an operator contact if they have a CEQA-related question about a proposed project?

Project applicants may contact the CalGEM CEQA Program at <a href="CEQA@conservation.ca.gov">CEQA@conservation.ca.gov</a> or the staff member CalGEM assigned to oversee the CEQA compliance.

# Who should an operator contact if they have a non-CEQA related question about a proposed project?

Operators may contact the district in which the project is located.

**Legal Disclaimer:** These FAQs constitute guidance and not legal advice. They have neither the force of law nor regulation, nor should they be cited as legal authority for any CEQA requirement. Refer to applicable laws and regulations and consult with an attorney for guidance on current legal requirements.