

Department of Conservation

Notice of Exemption

State of California
Natural Resources Agency / Department of Conservation
GEOLOGIC ENERGY MANAGEMENT DIVISION

California Environmental Quality Act
Notice of Exemption

To: Office of Planning & Research
State Clearinghouse
1400 Tenth Street, Room 113
Sacramento, CA 95814

From: Department of Conservation
715 P Street, MS 1803
Sacramento, CA 95814

Contact: CEQA@conservation.ca.gov

Project Title: 530526_SoCalGas_UGS

Project Applicant: Southern California Gas Company

Project Location: Los Angeles County, Aliso Canyon Gas Field
Latitude 34.31321716, Longitude -118.53998566

Project Description: Southern California Gas Company (SoCalGas) submitted a Notice of Intention (NOI) to sidetrack an existing underground gas storage (UGS) well at the Aliso Canyon Gas Storage Facility (Aliso Canyon Facility) in Los Angeles County (Project).

The well that will be sidetracked is part of the Aliso Canyon Facility, an existing facility of an investor-owned utility that is used to provide natural gas services. The proposed Project is located at the Aliso Canyon Natural Gas Storage Field in northwest San Fernando Valley, north of Porter Ranch, Los Angeles County, California. The Aliso Canyon field began as an oil field in 1939 before being converted to gas storage in the early 1970s by SoCalGas. It is the largest natural gas storage facility in California, with a (current) maximum allowable inventory of 68.6 billion cubic feet of natural gas.

The purpose of the proposed Project is to sidetrack a UGS well, to assess the mechanical integrity of casing and remediate conditions impacting well integrity. Activities include pulling kill string redrill to a target depth, run a new casing and cement in place, and a new production liner, run inspection logs, and finally run a new completion tubing flow only to ensure compliance with revised regulations (14 CCR § 1726 *et seq.*) to enhance the safety of UGS projects.

In 2018, CalGEM promulgated regulations that establish standards for the design, construction, and maintenance of all gas storage wells. The regulations include stringent well construction standards that are required to ensure that gas storage wells are safe and will maintain their integrity over time. The well construction standards promote environmental safety by focusing on leak prevention.

The proposed Project consists of CalGEM approving one permit for SoCalGas to sidetrack the gas storage well listed below, in the Aliso Canyon Gas Field.

API # 0403721359, **Well Name:** Fernando Fee 32C

Exempt Status: As the Lead Agency, CalGEM has determined that the proposed Project is exempt from full environmental review requirements of the California Environmental Quality Act (CEQA), pursuant to the specified exemptions marked in the section below. CalGEM further finds that the proposed Project would not result in a significant adverse impact to the environment and that none of the exceptions to the application of the exemptions apply (14 CCR § 15300.2).

Exemption Type		Statute (PRC)	Regulation (14 CCR)	
<input type="checkbox"/>	Statutory Exemption:			
<input type="checkbox"/>	Ongoing Project (<i>pre-CEQA approval on April 5, 1973</i>)	21169	15261 (b)	
<input type="checkbox"/>	Ministerial	21080 (b)(1)	15268	
<input type="checkbox"/>	Declared Emergency	21080 (b)(3)	15269 (a)	
<input type="checkbox"/>	Emergency Projects	21080 (b)(4)	15269 (b) or (c)	
<input checked="" type="checkbox"/>	Categorical Exemption:	21084		
<input checked="" type="checkbox"/>	Class 1: Existing Facilities		15301	1684.1
<input checked="" type="checkbox"/>	Class 2: Replacement or Reconstruction		15302	
<input type="checkbox"/>	Class 3: New Construction/Conversion of Small Structures		15303	
<input checked="" type="checkbox"/>	Class 4: Minor Alterations to Land		15304	1684.2
<input checked="" type="checkbox"/>	Class 7: Protection of Natural Resources		15307	
<input checked="" type="checkbox"/>	Class 8: Protection of the Environment		15308	
<input type="checkbox"/>	Class 11: Accessory Structures		15311	
<input type="checkbox"/>	Class 21: Enforcement Actions to revoke a permit		15321	
<input type="checkbox"/>	Class 30: Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material)		15330	
<input type="checkbox"/>	Class 33: Small Habitat Restoration Projects		15333	
<input type="checkbox"/>	General Exemption ("common sense")		15061 (b)(3)	
<input type="checkbox"/>	Not a "Project" subject to CEQA		15378 (b)(2)	

CEQA Exceptions to the Exemptions (14 CCR § 15300.2): where project is located (e.g., sensitive environment); Cumulative Impact; Significant Effect due to Unusual Circumstances; Scenic Highways; Hazardous Waste Sites; Historical Resources.

Reasons Why Project is Exempt: The basis for CalGEM’s determination that the Project is exempt from the requirements of CEQA is provided in the brief explanation below.

Class 1, Existing Facilities (14 CCR §§ 15301, 1684.1): Class 1 exemption applies as CalGEM’s regulations state: “Class 1 consists of the operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use beyond that existing previously. The Class includes, but is not limited to: “remedial, maintenance, conversion, and abandonment work on oil, gas, injection, and geothermal wells...”. The purpose of the sidetrack is to assess the mechanical integrity of casing and install cement casing, run inspection logs, and run new completion tubing flow. The tubing will comply with CalGEM’s revised regulations. Once the work is completed the well will be returned to service. This required well construction

upgrade will maintain or diminish the throughput capacity of the reworked gas storage well resulting in negligible or no expansion of the existing use. This sidetrack is considered remedial because it is attendant to compliance with CalGEM's heightened well construction standards and safety regulations and involves associated maintenance of the well in order to ensure continued operation.

Class 2, Replacement or Reconstruction (14 CCR § 15302): Class 2 exemption applies because it consists of "replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced[.]" Examples of Class 2 include, but are not limited to, "Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity." The proposed Project is a sidetrack of an existing wellbore which is needed to comply with well construction standards while maintaining throughput capacity of the well. The sidetracking includes pulling kill string redrill to a target depth, run a new casing and cement in place, and a new production liner, run inspection logs, and finally run a new completion tubing flow only to ensure compliance with revised regulations (14 CCR § 1726 *et seq.*) to enhance the safety of UGS projects. The sidetrack will be on an existing well pad, utilize the upper portion of the well, and no additional construction will occur. The sidetracked well will serve the same purpose as other UGS wells in the Aliso Canyon Facility and continue to provide the same measure of deliverability or capacity.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): Class 4 exemption may apply. The proposed Project would be conducted entirely on an existing pad, and when combined with existing roads, has enough space to contain all equipment. The Project would not disturb any undisturbed areas. The proposed Project is located within an industrial area. Therefore, the proposed Project "consists of drilling operations that result in only minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation." The sidetrack would not expand the facility and is conducted in order to comply with CalGEM's safety regulations (remedial) and maintain level of service.

Classes 7 and 8, Protection of Natural Resources and the Environment (14 CCR §§ 15307, 15308): Class 7 and Class 8 exemptions may apply, which include actions taken by regulatory agencies as authorized by law to assure the maintenance, restoration, enhancement, or protection of a natural resource or the environment where the regulatory process involves procedures for the protection of the environment." As demonstrated in the record, the sidetrack will inspect and remediate conditions impacting well integrity to ensure compliance with the regulations CalGEM promulgated in 2018 (14 CCR § 1726 *et seq.*), that establish standards for the design, construction, and maintenance of all gas storage wells. The regulations include stringent well construction standards that decrease the risk for adverse impacts to natural resources in the area. The sidetrack of this well would ensure that potential impacts to natural resources and the environment from compliance issues associated with the well are minimized, and the approval for the sidetrack will also include conditions that protect natural resources and the environment. Therefore, as demonstrated in the proposed Project file description of the well, sidetrack and rework operations would assure the maintenance, restoration, enhancement, and/or protection of natural resources and the environment.

Exceptions to Exemptions: CalGEM further finds that there are no exceptions to the application of the categorical exemptions (PRC § 21084; 14 CCR § 15300.2(c)) referenced above. There is no substantial evidence that there are any “unusual circumstances” associated with the proposed Project that create a reasonable possibility that the activity will have a significant effect on the environment, and that there are no significant “cumulative impacts” resulting from successive projects of the same type in the same place. Therefore, reliance on the exemptions is appropriate.

Consistent with the purposes of PRC § 3250 *et seq.* and the documentation available for the preliminary review, the proposed Project will benefit the environment. In addition, the work under the contracts and any resulting impacts will be temporary in duration. Therefore, the Project can be considered exempt from the need for full CEQA review.

A copy of this NOE (as required by 14 CCR § 15062(a)) and all other related materials can be made available to the public by contacting the CalGEM CEQA Program, located at 715 P Street, MS 1803, Sacramento, CA 95814-3530; by calling (916) 445-9686; or an electronic copy of these documents may be requested by contacting CEQA@conservation.ca.gov. A copy of this NOE may also be accessed online at the State Clearinghouse: <https://ceqanet.opr.ca.govhttps://ceqanet.opr.ca.gov>.

Certified: Jan Perez **Date:** 10/8/2024
 Department of Conservation,
 Geologic Energy Management Division
 CEQA Program