

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: 607257_SoCalGas_UGS

Project Applicant: Southern California Gas Company (SoCalGas)

Project Location: Los Angeles County, Honor Rancho Gas Field; 07/04N/15W/SB;
 34.44873810, -118.59133148

Project Description: The intent of this project is to inspect the well integrity and remediate identified conditions as part of the Storage Integrity Management Program (SIMP). After reviewing well history, available directional surveys and inspection logs, and current wellbore configuration (casing size, restrictions, perforations, liner, etc.), a plan is developed for SoCalGas to rework well WEZU 17. This project includes pulling kill string, perform casing expansions, monitor the well, run inspection logs and pressure test, and install new completion equipment. Additionally, the program of the Notice of Intention (NOI) is to use the local expansion tool (LET) and monitor effectiveness of LET for potential remediation of micro-anulus.

Temporary equipment such as a mud pump and returns bins will be utilized. No permanent facilities will be constructed during the process and no expansion of associated facilities will be required. All waste material, including brine kill fluid, will be properly disposed of as non-hazardous or hazardous waste, as appropriate, at a facility licensed to accept the waste.

In 2018, the California Department of Conservation, Geologic Energy Management Division (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 1 permit for SoCalGas to rework the well listed below, in the Honor Rancho Gas Field.

API #	Well Name
0403707609	WEZU 17

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, or that any 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 type="checkbox"/>	Class 7: Protection of Natural Resources		15307	
<input 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)	
<p>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.</p>				

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 to the rework of this existing gas storage well under CalGEM's regulations and section 15301 (b) of the CEQA Guidelines. 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." (§ 1684.1.) Under CEQA Guidelines section 15301(b), the Class 1 exemption "consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use," where existing facilities may include "Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services[.]" As this facility is a natural gas public utility service, it would qualify for a Class 1 exemption under § 15301(b). The UGS facility is an existing facility of an investor-owned utility that is used to provide natural gas services and is an integrated component of the natural gas transmission process. The purpose of the proposed activities is to inspect the well integrity and remediate identified conditions as part of the SIMP. This project includes pulling kill string, perform casing expansions, monitor the well, run inspection logs and pressure test, install new completion equipment, running the LET, and monitoring the effectiveness of LET for potential remediation of micro-anulus to comply with CalGEM's 2018 regulations that establish standards for the design, construction, and maintenance of all gas storage wells. The proposed activities will enable the facility to operate in substantially the same manner. In addition, the proposed project will not increase the gas injection or withdrawal rates, beyond what the facility is permitted for by the CPUC. Accordingly, the proposed activity satisfies the requirements of the Class 1 exemption.

Class 2, Replacement or Reconstruction (14 CCR § 15302): Class 2 applies because the rework activities consist 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, "[r]eplacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity." The proposed project involves the rework of an existing gas storage well at an existing UGS utility facility. The intent of this project is to inspect the well integrity and remediate identified conditions as part of the SIMP. This project includes pulling kill string, perform casing expansions, monitor the well, run inspection logs and pressure test, install new completion equipment, and running the LET. CalGEM's 2018 regulations establish standards for the design, construction, and maintenance of all gas storage wells. The activities will be performed on an existing well pad within the existing gas storage facility. The well will continue to serve the same purpose of gas storage and is necessary for the facility to provide the same measure of deliverability capacity. The proposed activity will not result in an expansion in gas compressor capacity, nor will there be an expansion of the injection and withdrawal rates. Therefore, the activities proposed satisfy the requirements of the Class 2 exemption.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): Class 4 applies to the proposed activities. Under the CEQA Guidelines, Class 4 "consists of minor or public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy mature, scenic trees except for forestry and agricultural purposes." CalGEM's regulations define Class 4 as "drilling operations that result only in minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation." The project would be conducted entirely on an

existing pad of sufficient space to contain all equipment, and existing roads to the pad would be utilized with no new disturbance. As explained in this PR, no impacts to biological resources are expected. No trees would be removed, and the project would not otherwise disturb any undisturbed areas. Therefore, the project would result in only minor alterations with negligible or no permanent effects to land, water, air, and/or vegetation.

Exceptions to Exemptions: CalGEM further finds that there are no exceptions to the application of the categorical exemptions (PRC § 21084; 14 CCR § 15300.2) referenced above. For example, 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.

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; by calling (916) 445-9686; or an electronic copy of these documents may be requested by contacting CEQA@conservation.ca.gov. The notice filed with the State Clearinghouse may be accessed online at: <https://ceqanet.opr.ca.gov>

Certified: _____ *Nicole Trezza* _____ **Date:** _____ 12/4/2024 _____
Department of Conservation,
Geologic Energy Management Division