



Senate Legislative Bill Package Porter Ranch Aliso Canyon Gas Leak

Background

- The Southern California Gas Company Aliso Canyon Leak is a local, national, and international environmental disaster.
- The leak has been ongoing for almost three months, driving thousands from their homes and more away over the holidays.
- Local public health and community impacts are significant. Children have become ill, public schools have been relocated, city officials have filed nuisance actions due to the odor in the area and sought injunctions to force the gas company to act more quickly to eliminate the leak and help residents.
- While the state's response has been swift, at least seven different state agencies are involved in the response with no statutory single point of responsibility and accountability to oversee response and remediation actions.
- At its peak the leak was spewing climate pollution equivalent to the daily emissions from 7 million cars – or the equivalent of six coal-fired power plants, or three-quarters of the emissions from the state's entire oil refining industry. At present, the leak remains the single largest source point of climate pollution in California, according to the Air Resources Board. While, we will not know the cumulative climate impact of the leak until after it has been plugged, this single point of emissions will have a disproportionate impact on the state's total greenhouse gas emissions for 2015 and 2016.
- The Aliso Canyon Leak may be just the tip of the iceberg. There are 13 other underground methane gas storage facilities in the state. Most of the storage capacity is located in or near urban areas like Porter Ranch (e.g. Montebello, West LA, greater San Francisco Bay Area). Over half of the approximately 420 gas storage wells state-wide are over 40 years old. At Aliso Canyon, 48 of the 111 gas storage wells were originally drilled in 1953 or earlier -- these "vintage" wells are all over 60 years old.
- The Legislature should act now to ensure the Aliso Canyon Leak is fixed, the residents can come home to a safe environment and the problem never happens again.

Senate Gas Leak Environmental and Public Health Protection Package

1. **SB 875 – IMMEDIATE MORATORIUM:** Moratorium on any new injections of natural gas and use of vintage wells for production at the Aliso Canyon storage facility until a determination has been made by DOGGR, CPUC and CEC, and outside experts that the site, especially the old 1950s wells, does not pose a risk to public health or safety, and to consider how to minimize or eliminate use of the facility while still maintaining energy reliability in the region. (This will be urgency legislation.)
2. **SB 876 – POLLUTERS, NOT PUBLIC, PAY FOR DAMAGES:**
 - a. **SINGLE STATE GOVERNMENT POINT OF ACCOUNTABILITY FOR FUTURE LEAKS:** Designate a single point of accountability and responsibility in state government for disasters like Aliso Canyon (there currently is an alphabet soup of at least seven different state agencies that have roles in the response to a disaster of this nature). Designate CalOES as lead agency for future leaks.
 - b. **PUBLIC HEALTH AND ENVIRONMENTAL DAMAGE:** Require all GHG mitigation cost impacts of the gas leak to be paid for from utility profits (and not “double paid” by ratepayers). Require the gas company to establish a fund to pay for mitigation costs through direct measures (not purchases of tradable credits) to offset an equivalent amount of GHG emissions. Require that mitigation costs achieve reductions incrementally over and above existing programs and current regulatory requirements.
 - c. **HOUSING, RELOCATION, EMERGENCY RESPONSE COSTS:** Prohibit the CPUC from allocating any costs associated with the Aliso Canyon disaster to gas ratepayers and require that those costs be paid from utility profits.
3. **SB 877 – PREVENTING ANOTHER DISASTER:** Strengthen current laws governing regulation of gas storage facilities that affect people, homes, and residences.

INCREASED INSPECTIONS, HEALTH AND SAFETY MEASURES:

- Strengthen natural gas storage facility and well standards and requirements to ensure that leaks like Aliso Canyon never happen again.
 - Require all natural gas storage facilities to be inspected within the next 12 months, and at least once annually thereafter.
 - Add enhanced proactive well standards including installation of subsurface safety valves, use of new technology, and even tighter standards near schools and homes.
 - Require aggressive new leak prevention and response plans.
 - Mandate that plans be developed and implemented similar to what is already in place for disasters like oil spills so that any leaks are detected quickly, reported immediately, and shut down as quickly as possible.
 - Companies must maintain equipment, designate crews, and share information with state and local emergency response officials in the event of any future leak.
 - Response equipment shall include measures to protect public health such as the mesh screens installed to collect the mist.
 - Require immediate public notification of a nearby leak to the community and its residents.
 - Require study/review on long-term impacts of community exposure to odorants.
4. **SB 878 (Lara) – LONG-TERM CLIMATE POLLUTION REDUCTION:** Set state targets and hold polluters accountable to meet those targets. The Short-Lived Climate Pollutant Reduction Act will implement a strategy to reduce emissions of Short Lived Climate Pollutants, such as methane from gas storage facilities, in California by setting targets to achieve a 50% reduction in black carbon emissions, a 40% reduction in methane, and a 40% reduction in fluorinated gases (f-gases) by the year 2030.