

# Area residents raise concerns about gas storage project

Susan Meeker, Corning Observer, 5-6-10

Should an explosion occur at a future gas storage facility in Princeton, the California Public Utilities Commission said it will be CalFire that comes to the rescue.

The potentially fatal error in the negative declaration report, which is now available for public review, came under fire at the commission's public meeting Wednesday in Princeton – not whether the potential project was good or bad for the county.

“CalFire does not service this area,” said Manuel Massa, Princeton Fire District director. “We do.”

Massa said Princeton Fire has concerns about the project and whether the small department could adequately serve the facility while it's under construction or after it is built.

“There's going to be about 335 to 370 construction workers here for several months,” Massa said. “There will be calls, whether it's a heart attack or a bee sting.”

The state commission released a draft of the 300-page negative declaration on April 21, which indicates any environmental impacts resulting from the proposed project could be mitigated, and therefore releases the developer from having to prepare a full environmental impact report. The public has until May 22 to comment.

Central Valley Gas Storage, a subsidiary of Illinois-based Nicor Inc., is seeking permission from the state to build the storage facility about 1.5 miles south of Princeton, west of Highway 45, above two former natural gas reservoirs approximately 2,200 feet below the surface.

The reservoirs produced about 9.8 billion cubic feet of natural gas between 1954 and 1992, according to the developer. Central Valley plans to inject approximately 9 billion cubic feet of gas into the subsurface geological rock formation the first year, converting the former gas-producing reservoir to a storage field, and phase in an additional 2 billion cubic feet capacity in two years.

The storage facility will be used for both long-term storage to ensure sufficient natural gas supply during periods of increased need, as well as short-term storage for trading on the spot and futures markets, according to Monisha Gangopadhyay, commission project manager.

The surface facilities include a three-story compression station and associated facilities on a 10-acre site, a remote well pad site on a separate 3.1-acre site that includes 10 injection/withdrawal wells, a 130,000-gallon saltwater storage tank, several observation wells and a metering station on a 1-acre site near a Pacific Gas & Electric Co. line.

Central Valley plans to connect the field via a 14-mile, 24-inch diameter pipeline to PG&E's compression station north of Maxwell. The compression station sits next to a PG&E gas-powered Colusa Generating Station now under construction, which the PUC said is a separate project.

Massa, along with neighboring landowners and representatives of special districts, said they needed more time to review the negative declaration before the commission signs off on the project.

“We’re farmers,” Massa said. “We’re in the middle of planting rice.”

Massa said it would be difficult to get the fire district’s directors together before June to review the report to identify other errors that may be documented or identify environmental impacts that may have been overlooked.

Even the facility’s proposed three-story building is a concern because Princeton Fire doesn’t have a ladder truck, has only one tanker, and has no large source of available water from which to draw, Massa said.

Colusa Basin Drainage District Manager Gene Massa said several special districts did not receive notification about the project and may need more time to review the report and comment.

Massa said gas well accidents and gas leakage in the area have been known to cause significant environmental impacts and could potentially affect landowners near the project.

Only those within 300 feet of the project were noticed in accordance with the California Environmental Quality Act, Massa said.

Gas storage accidents are rare but not unheard of.

In 1992, a gas storage facility near Brenham, Texas, leaked natural gas vapors that ignited and exploded.

The explosion killed three people and caused significant injuries to others, as well as property damage, and was eventually settled for an undisclosed amount after a court found the developer at fault, according to news reports.

In 2004, natural gas from an underground storage cavern exploded near Houston, sending flames 150 to 200 feet into the air and waking nearby residents. No one was injured.

The Central Valley Princeton project has significant support from community organizations and county officials, who see it as a project compatible with agriculture that will produce both temporary construction jobs and eight to 10 full-time, permanent jobs.

“It’s a good project for the county,” said Colusa County Supervisor Denise Carter.

Nicor has a 50-year track record with gas storage, local officials said, although the Princeton project will be the company’s first use of a depleted gas field.

Nicor’s Illinois storage facilities utilize water aquifers for gas storage rather than depleted gas fields, company officials said.

Carter said she was pleased with the public meeting and saw it as an opportunity for the PUC to address the public and the fire department’s concerns.

The project is subject to the county issuing a conditional use permit, and officials indicated that Central Valley will have to mitigate all impacts before it approves the permit.

The Princeton Fire Protection District, the Colusa Basin Drainage District and others asked the PUC for a 90-day comment period.

Gangopadhyay said it would be up to a panel of decision-makers at the PUC to extend the comment period, but that the law only requires 30 days.

It was an answer that didn't sit well with Colusa County Counsel Henry Rodegerdts.

"That's a very poor defense," Rodegerdts said. "That is what bureaucrats always say to give them an out. It doesn't pass muster, especially when you come into local communities."