

California releases proposed fracking regulations

B. White, Sacramento Bee, 11-15-13

California got its first glimpse Friday morning of proposed hydraulic fracturing regulations that will likely be debated over the coming year.

In a conference call with reporters, California Department of Conservation Director Mark Nechodom heralded the regulations, which he said would strike a balance between strong safeguards and ensuring that California's oil and gas fields can "remain productive and competitive."

The release of the draft rules kicks off a yearlong process, with the goal of having final regulations in place by 2015. Nechodom said he anticipates "a very active public regulation" process that could yield significant changes to the current proposed language.

Hydraulic fracturing, commonly known as fracking, involves blasting a pressurized cocktail of chemicals underground to dislodge the gas trapped in rock formations. While many have praised fracking as a way to reduce California's dependence on foreign oil, environmentalists warn that fracking represents a public health hazard.

As fracking booms in other parts of the country and warning of a potential explosion of activity in California's Monterey Shale, several lawmakers introduced fracking bills in 2013. Of those, only Sen. Fran Pavone's bill received the governor's signature, with more stringent measures that included statewide groundwater monitoring programs falling by the wayside.

The new law will now guide the regulatory process. The draft rules released on Friday will require well operators to notify people living near new wells, create a groundwater monitoring regime, spur a statewide environmental review of fracking and mandate disclosure of the types and concentrations of chemicals used in the process.

Regarding the chemical disclosure requirement, the new law allows companies to invoke trade secret protections in some cases. Nechodom said it remains unclear how broadly that exemption will be used.

"It's difficult to tell at this point how many trade secret claims may be made," Nechodom said. "There may be many, but we may be many."

During the intervening year before final regulations take effect, well operators will need to certify to regulators that they are in compliance. Starting in 2015 they will need to go through a specific permitting process that would trigger environmental review.

t. Regulations governing the grouping of permits were not released Friday.

Kustic, state oil and gas supervisor for the Division of Oil, Gas, and Geothermal Resources, said Friday's conference call that the division already has to be selective in the reviews it conducts.

to prioritize," Kustic said, adding that "fields that have extensive hydraulic fracturing and they, the 3,000th in the field" will be a lower priority than an initial exploratory well

realistic to think the division will be out there for every well stimulation," Kustic said.