

# Regulators conclude Aliso Canyon could reopen even though cause of massive gas leak still undetermined

Paige St. John, Los Angeles Times, 1-17-17

The troubled Aliso Canyon underground storage field is safe to reopen at a third of its original size, state regulators announced Tuesday, even though the cause of a massive leak that forced thousands to flee their homes has not been determined.

The finding sets up an all-out battle over the future of the site near Porter Ranch, the scene of the largest methane gas leak in United States history.

For more than four months, invisible gas spewed from a ruptured well, sickening many residents and effectively doubling the methane emissions rate of the entire Los Angeles Basin.

Porter Ranch residents and some elected officials vowed Tuesday to fight efforts to reopen the field.

The next step in the process will be two public hearings on reopening the Southern California Gas Co. facility, which are scheduled for Feb. 1 and Feb. 2 in Woodland Hills. After those hearings, the state will make a final decision on when the site can reopen.

The sandstone and shale formations beneath Aliso Canyon had been used to store pressurized natural gas until an underground leak in October 2015 blew out a well.

Investigators hired to determine its cause have yet to physically extract and examine the well tubing and its failed casing, state officials said Tuesday.

California regulators say that 34 of the remaining 114 wells — most of them drilled decades ago for the purpose of extracting oil — have passed pressure tests and could be put back into use.

The utility has a year to either permanently plug or repair the remaining wells. Records submitted to the state show that some of those wells have indications of below-ground leaks. Field operators are not required to report how much gas is lost in below-ground leaks.

The gas company has pushed to resume operations at Aliso Canyon, saying the site is essential in providing gas to customers across Southern California.

A letter sent Tuesday by the state's Division of Oil, Gas and Geothermal Resources said the field, with a capacity of 83 billion cubic feet, must be capped for safety reasons at 65 billion cubic feet. That's nearly 20% less than what Southern California Gas had requested.

The letter said the reduced operating pressure "provides an important margin for well control and safety at this point in the well evaluation regime."

State utility regulators said they intend to set even more severe limits, restricting the field to 29 billion cubic feet, based on revised estimates of what is needed to meet energy market demands.

"There is no indication returning to that whole capacity would ever be needed for reliability purposes," said Edward Randolph with the Public Utility Commission.

The gas company would also be required to stop its practice of increasing pumping capacity by using both the innermost tube as well as the outer steel casing of a well. It would have to constantly monitor wells for leaks, a practice now required statewide since the disaster.

Southern California Gas, which requested to reopen the field in November, released a statement Tuesday welcoming the state's announcement but adding that it was reviewing the newly proposed restrictions on field capacity.

In the report, regulators also raised concerns about unknown seismic risks at the site.

State files show that in December, experts from the three national laboratories consulted by the state warned of the "high probability of a significant earthquake in the next 50 years." The Santa Susana Fault runs through the gas storage field.

The letter warns not only of ground shaking but shearing of wells and deformation of their outer casings. It said seismic studies "should be planned and executed in a deliberate manner."

Though state letters Tuesday told the gas company it had met all state requirements to reopen, agency supervisor Ken Harris said the decision will not be made "until the surrounding community has an opportunity to weigh in ...Public input and transparency is an important part of our process."

Activists with Save Porter Ranch renewed their call to close the gas field entirely, and local politicians pressed the state to finish its investigation into what went wrong before moving forward.

"I cannot support reinjection at any level until the cause of the leak has been determined, public hearings are held, and the community's concerns about the safe operation of this facility are fully addressed," said county Supervisor Kathryn Barger.

State Sen. Henry Stern, a Democrat from Canoga Park, on Tuesday filed legislation to keep Aliso Canyon closed until the blowout investigation is finished. "If we don't know what went wrong, how can we prevent it from happening again?" he said.