



Annual Report Number 1
Work of the Aliso Canyon Well and Storage
Operations Safety Committee
April 2019 – June 2020

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Overview

SoCalGas (Defendant) and the State Attorney General, City Attorney for the City of Los Angeles, County Counsel for the County of Los Angeles, and the County of Los Angeles (collectively referred to as Government Plaintiffs) entered into a Consent Decree to resolve claims raised by the Government Plaintiffs associated with the natural gas leak that occurred at the Aliso Canyon natural gas storage Facility (Facility) in October 2015. The terms and conditions of the Consent Decree required SoCalGas to, among other things, form an internal safety committee, and select and retain a third-party subsurface gas storage industry expert (Safety Ombudsman) who shall act as a safety advocate for the Facility. A copy of the Consent Decree may be accessed via this link: [Click Here](#)

Section 4.2 of the Consent Decree outlines the requirements for SoCalGas to establish a Well and Storage Operations Safety Committee (WSOC). The duties of the WSOC generally include, but are not limited to, the following:

- Meet quarterly to review safety issues at the Facility;
- Review operational safety issues and promote safe operations at the Facility consistent with applicable laws, rules, regulations, and orders;
- Review Facility-related information, materials, or work product to assess safety at the Facility;
- Make recommendations to SoCalGas for repairs, improvements, policies, and/or upgrades to the Facility or infrastructure therein;
- Facilitate the role of, and work in cooperation with, the Safety Ombudsman;
- In coordination with the Safety Ombudsman, conduct periodic safety audits or safety-related Strengths, Weaknesses, Opportunities, Threats (“SWOT”) analyses of the Facility; and
- Review CPUC and CalGEM (formerly DOGGR) audit reports of the Facility.

Section 4.3 of the Consent Decree outlines the requirements for SoCalGas to select and retain a Safety Ombudsman and the duties associated with that role. The duties of the Safety Ombudsman generally include the following:

- Participate in all WSOC meetings;
- Have access to all non-privileged materials, information, records and work product in SoCalGas’s possession, custody, and control necessary to accomplish the tasks required of the Safety Ombudsman;
- Review CPUC and CALGEM audit reports of the Facility;
- Review and evaluate all incidents reported to the public and State and local agencies pursuant to Paragraph 4.1 of the Consent Decree;
- Review and advise on the WSOC’s efforts, findings, and recommendations for improvements;
- Serve as a non-exclusive repository for safety-related concerns reported by the public with respect to the Facility;
- Serve as a point of contact to receive safety complaints or concerns relating to the Facility from anyone who wishes to remain anonymous, and provide any anonymous reports of safety concerns to SoCalGas;



- Maintain the confidentiality of the person or member of the public making any confidentially-made safety complaints or concerns relating to the Facility;
- Generate annual reports (Annual Reports) that detail the following:
 - The work of the Safety Ombudsman;
 - The work of the WSOC; and
 - Recommendations, if any, for improvements related to safety and prevention of leaks at the Facility.
- Provide the Annual Reports to the Attorney General, the City Attorney, County Counsel, the CPUC and CalGEM. The Annual Reports shall also be made public via the Aliso Canyon Website and the local community shall be provided with an opportunity to comment on the Annual Reports. The Safety Ombudsman shall schedule at least one public meeting each year to explain and respond to questions regarding the Annual Reports.

This report has been prepared in accordance with the requirements outlined in Section 4.3, (b), (ix), (2) of the Consent Decree, and summarizes the work of the WSOC during the period of April 2019 – June 2020. It is the first such annual report.



I. Well and Storage Operations Safety Committee (WSOC) Charter and WSOC Meetings

WSOC Charter

SoCalGas established a Well and Storage Operations Safety Committee (WSOC) to review safety issues at the Facility. The committee purview includes, but is not limited to, safety issues related to well integrity and maintenance and associated unintended leak prevention; it excludes issues related to occupational health and safety as those are administered by a separate department.

The WSOC is comprised of nine members, including a committee Chair, Vice Chair, and Secretary. There are five (5) voting members and four (4) non-voting members. The five voting members include one (1) SoCalGas Director of Storage, two (2) SoCalGas Managers of Storage, and two (2) SoCalGas Storage Supervisors. The non-voting members of the WSOC include subject matter experts with relevant storage technical expertise.

The role of the WSOC is to review and provide recommendations regarding safety issues at the Facility to SoCalGas and coordinate with the Safety Ombudsman. Their duties generally include:

1. Review operational safety issues and promote safe operations consistent with applicable laws, rules, regulations, and orders;
2. Review Facility-related information, materials, or work product to assess safety at the Facility;
3. Make recommendations to SoCalGas for repairs, improvements, policies, and/or upgrades to the Facility and its infrastructure;
4. Facilitate the role of, and work in cooperation with, the Safety Ombudsman;
5. In coordination with the Safety Ombudsman, conduct periodic safety audits or safety-related Strengths, Weaknesses, Opportunities, Threats (SWOT) analyses of the Facility; and
6. Review of California Public Utilities Commission (CPUC) and California Geologic Energy Management Division (CalGEM) audit reports of the Facility.

The Chair, Vice Chair, and Secretary of the Committee are nominated by the Senior Vice President and/or the Vice President of Storage and confirmed by the WSOC. Those three positions are elected to two-year terms, although individuals may serve more than one term. Remaining members of the Committee are selected by the Senior Vice President and/or the Vice President of Storage; members are appointed biennially or as necessary to fill vacancies. The Chair manages WSOC meetings and must be a voting member of the committee. The Vice Chair performs the duties of the Chair in the Chair's absence. The Vice Chair may be a non-voting member; however, they will have voting rights when performing the duties of the Chair. The Secretary may be a non-voting member and prepares the minutes of the WSOC meetings.

The WSOC normally meets quarterly but may meet more frequently if it deems there is a need to do so. A majority of WSOC voting members is required, either in person or telephonically, to convene a meeting. Recommendations for formal action require a majority vote of the voting membership. The Safety Ombudsman is required to participate in all WSOC meetings, either in person or telephonically. Legal counsel is required to attend all WSOC meetings.



The SoCalGas Aliso Canyon Well and Storage Operations Safety Committee Charter provides a complete summary of the WSOC's function and defines roles, responsibilities, and governance of the WSOC. A copy of the Charter may be accessed via this link: [Click Here](#)

Quarterly WSOC Meetings

During the period of April 2019 – June 2020, a total of five (5) WSOC meetings were held, four (4) of which were held in person at the Aliso Canyon Facility. A fifth meeting was held virtually in mid-June due to the coronavirus. They occurred on the following dates:

- April 10, 2019;
- July 23, 2019;
- October 8, 2019; and
- January 16, 2020
- June 15, 2020 (virtual meeting)

The Safety Ombudsman attended all four of the face-to-face meetings at the Facility and participated in the virtual meeting via video conference. The agenda for these quarterly meetings generally includes the following:

1. Review and approval of the prior meeting minutes;
2. Update from Safety Ombudsman concerning public inquiries and other relevant topics;
3. Update from WSOC members concerning safety related matters associated with the Aliso Canyon Facility; and
4. Joint discussion of other relevant matters related to the Aliso Canyon Facility.

The meetings provide a forum for face-to-face discussions between the WSOC members and the Safety Ombudsman on safety-related matters at the Facility. Topics vary from meeting to meeting depending upon current issues, maintenance and construction work activity at the Facility, and safety concerns. Members of the WSOC typically provide updates of construction and/or maintenance work at the Facility with the emphasis on safety. These updates provide an opportunity for the Safety Ombudsman to probe any safety concerns and establish a dialog directly with the appropriate subject matter experts. They also provide an opportunity for direct feedback to the WSOC concerning committee work or other safety-related initiatives at the Facility. During the period of April 2019 – June 2020 discussion topics included, but were not limited to:

- The WSOC and its Charter;
- Status of the Comprehensive Safety Review of the Facility;
- Status of review of the Aliso Canyon Risk Management Plan (RMP) with CalGEM;
- Impacts to the Facility associated with the July 2019 Ridge Crest earthquake;
- Safety Ombudsman public meeting in July 2019;
- Emissions monitoring devices and equipment at the Facility;
- A mock emergency drill conducted at the Facility in September 2019;
- Impacts to the Facility associated with the Saddleridge fire in October 2019;



- CalGEM/PHMSA safety inspection in October 2019; and
- Status of Seismic Risk Events study.

Individual links to the minutes of the WSOC meetings are included immediately below (June 2020 meeting minutes are not yet available as of the date of issuance of this report). Names of individuals, other than the Safety Ombudsman's, have been redacted from the meeting minutes.

- April 2019 meeting minutes link: [Click Here](#)
- July 2019 meeting minutes link: [Click Here](#)
- October 2019 meeting minutes link: [Click Here](#)
- January 2020 meeting minutes link: [Click Here](#)

II. Review of Operational Safety Issues and Information, Materials, or Work-product to Assess Facility Safety

During each of the quarterly meetings of the WSOC a portion of the agenda is dedicated to the review of current operational activities. Topics of discussion have included:

- Maximum pressure and working gas volume limits imposed on the facility by CalGEM and CPUC;
- The status of well remediation work to address the requirements of Order 1109, which required SoCalGas to take specified actions at the Facility in response to the blowout of the SS-25 well, and the new CalGEM Underground Gas Storage Regulations;
- Abandonment of existing wells deemed unnecessary for storage operations;
- The potential need for replacement wells;
- Real-time monitoring of well pressures and responsive actions when pressure anomalies above threshold limits are detected;
- Impacts to the Facility related to the July 2019 Ridge Crest earthquake;
- The fence line methane monitoring system and methane emission exceedances above threshold criteria;
- An emergency exercise drill conducted at the Facility in October 2019; and
- Lessons-learned from the Saddleridge fire which impacted the Facility in October 2019.

Details concerning these discussions may be found by accessing the link to the minutes of each meeting at the bottom of [Section I](#) of this report, immediately above.

III. Recommendations for Repairs, Improvements, Policies, and/or Upgrades to The Facility

As part of Data Request Number 5, the Safety Ombudsman requested a listing and summary of any recommendations developed by the WSOC and submitted to SoCalGas for repairs, improvements, policies, and/or upgrades to the Facility. During the June 15, 2020 quarterly WSOC meeting, the WSOC voted to submit the following recommendations to SoCalGas:

1. The development of a Company Gas Standard outlining the process for taking wells out of service/returning wells to service; and



2. The WSOC recommends that SoCalGas review and address the PHMSA audit letter dated May 28, 2020 prior to the next scheduled PHMSA audit of Aliso Canyon.

The Safety Ombudsman fully supports these two initiatives. With respect to recommendation 1 above, it is recommended that the WSOC review SoCalGas's existing Gas Standard 224.104 "Well Isolation", as this standard may contain elements which will aid in developing the proposed Gas Standard.

In addition to the above, the Safety Ombudsman has developed several specific safety recommendations for consideration by the WSOC/SoCalGas. These recommendations are contained in Annual Report Number 1, Recommendations for Improvements to Safety and Leak Prevention, Section II.

IV. Conduct Periodic Safety Audits (SWOTs) Associated with the Facility

The WSOC did not conduct any safety audits or strength/weakness/opportunity/threat analyses (SWOTs) during the period covered by this report.

V. California Public Utility Commission (CPUC) and California Department of Conservation Geologic Energy Management Division (CalGEM - formerly DOGGR) Audit Reports

A discussion of audits performed by the CPUC and CalGEM during the period covered by this report is contained in Annual Report Number 1, Work of the Safety Ombudsman, Section IV, and will not be repeated here. CalGEM is acting as agent for PHMSA during all mandated safety inspections of the Facility. During the June 15, 2020 WSOC meeting, the WSOC recommended that SoCalGas review and address the PHMSA audit letter dated May 28, 2020 prior to the next scheduled PHMSA Audit of the Facility.