

CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC COMMENT PERIOD FOR THE ALISO CANYON MITIGATION AGREEMENT

The California Air Resources Board (CARB) has reached a proposed agreement with Southern California Gas Company (SoCalGas) to achieve full methane mitigation of the natural gas released during the leak at the Aliso Canyon Natural Gas Facility (Aliso Canyon) between October 2015 and February 2016. The agreement terms are outlined in the Mitigation Agreement, which is an appendix to the Consent Decree through which CARB, the California Attorney General's Office (AGO), the City of Los Angeles (City), and the County of Los Angeles (County) have agreed to settle all claims against SoCalGas related to the leak. The Consent Decree was lodged with the Los Angeles County Superior Court on August 8, 2018; paragraph 18 of the Consent Decree requires CARB to solicit public comment on the Mitigation Agreement for 35 days and provide a summary of these comments to the court.

CARB hereby invites comments on the Mitigation Agreement, which is posted on CARB's public docket website: <https://www.arb.ca.gov/lispub/comm/bclist.php>

Further information about the Aliso Canyon leak and the Mitigation Agreement can be found on CARB's website: <https://ww2.arb.ca.gov/our-work/programs/aliso-canyon-natural-gas-leak>

Background

On October 23, 2015, SoCalGas informed the State of a natural gas leak at Aliso Canyon. Natural gas is composed primarily of methane which is a potent greenhouse gas, known as a short-lived climate pollutant (SLCP). These gases remain in the atmosphere much shorter than longer-lived climate pollutants, such as carbon dioxide (CO₂); but when measured in terms of how they heat the atmosphere, their impacts can be tens, hundreds, or even thousands of times greater than that of carbon dioxide.

Governor Brown's January 6, 2016, Proclamation called for SoCalGas to pay for a mitigation program developed by CARB that causes full mitigation, is limited to projects in California, and prioritizes projects that reduce SLCP's. The Proclamation identified that CARB staff was estimating the amount of methane emitted during the leak. CARB staff made a presentation at a CARB Board Meeting on February 18, 2016, providing updates on the development of a program to achieve mitigation and issued a draft Aliso Canyon Climate Impacts Mitigation Program (Mitigation Program), which offered two opportunities for public comment. CARB staff issued the Mitigation Program on March 31, 2016, outlining objectives and mandatory project criteria to guide selection of mitigation projects that would achieve the Proclamation's requirements and complement existing state efforts to reduce SLCP's in California.

A permanent seal of the well was announced by the Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR) on February 18, 2016. CARB staff determined that the amount of methane emissions reductions needed to fully mitigate the climate impacts of the leak is 109,000 metric tons.

CARB, the AGO, the City, and the County filed litigation against SoCalGas seeking penalties and equitable relief for harm caused by the leak. On August 8, 2018, CARB, AGO, City, and County announced a \$119.5 million settlement with SoCalGas. The settlement is subject to approval by the Los Angeles County Superior Court, and, if approved, will resolve all claims alleged in these lawsuits.

The settlement includes an appendix known as the Mitigation Agreement, which contains the requirements for SoCalGas to fully mitigate the climate impacts of the leak. SoCalGas will pay \$26.5 million to cause the construction of dairy digester projects in California that will reduce at least 109,000 metric tons of methane emissions. The methane that is captured is to be injected into the common carrier pipeline system for use as a renewable transportation fuel providing a cleaner alternative to petroleum diesel fuel. The Mitigation Agreement aligns with the principles in the Governor's Proclamation and the principles and objectives of the Mitigation Program.

Public Comment

CARB invites comments on the Mitigation Agreement during the public comment period that begins Wednesday, August 8, 2018, and ends at 5:00 p.m. on Wednesday, September 12, 2018. After the close of the public comment period, CARB will prepare a summary of the comments for the Los Angeles County Superior Court. Written comments must be received by the due date above, and addressed to the following:

Postal mail: Clerk of the Board, California Air Resources Board
1001 I Street, Sacramento, California 95814

Electronic submittal: <https://www.arb.ca.gov/lispub/comm/bclist.php>

Please note that under the California Public Records Act (Government Code section 6250 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Further inquiries regarding this matter should be directed to Stanley Young at (916) 322-1309 or Dave Clegern at (916) 322-8286 in the Office of Communications, Office of the Chair.

If you need this document in an alternate format or another language, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 no later than five (5) business days from the release date of this notice. TTY/YDD/Speech to Speech users may dial 711 for the California Relay Service.

Si necesita este document en un formato alterno u otro idioma, por favor llame a la oficina del Secretario del Consejo de Recursos Atmosféricos al (916) 322-5595 o envíe un fax al (916) 322-3928 no menos de cinco (5) días laborales a partir de la fecha del lanzamiento de este aviso. Para el Servicio Telefónico del California para Personas con Problemas Auditivos, ó de teléfonos TDD pueden marcar al 711.

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Richard W. Corey
Executive Officer

Date:

August 8, 2018