

MOTION

The Division of Oil, Gas, and Geothermal Resources (DOGGR) is responsible for regulating the State's oil and gas operations and investigating potential violations of statute and regulations. Last week, DOGGR issued a \$75,000 civil penalty order to The Termo Company of Long Beach for illegally venting natural gas in the Aliso Canyon field.

DOGGR levied \$25,000 penalties for each of three violations, noting that not only did the gas venting appear to be intentional, but also that the operator tried to hide it. Current law caps the penalty amount the Division can assess at \$25,000 per violation.

The leak was discovered when the Jet Propulsion Laboratory and South Coast Air Quality Management District flew over the field on January 23 with a forward looking infrared (FLIR) camera. Oil and gas division personnel were dispatched to the site to find the source of the leak. According to State Oil & Gas Supervisor Ken Harris: "Someone clearly made an effort to conceal the pipe, because even though we knew from aerial readings where it was generally, our field staff had to search carefully before finding it behind a tree. If it wasn't for the aerial surveillance, the illegal discharge could have continued indefinitely."

Division inspectors returned on January 28 to find that the operator had removed the pipeline, which had been connected only to the wellhead, indicating the venting was intentional. Termo was cited for three violations: unreasonable waste of gas, improper disposal of oil field waste, and failure to maintain and monitor the production facility.

It seems prudent at this time to implore other regulatory entities with jurisdiction to explore any penalties, including fines and fees of a punitive nature that may be applicable. The South Coast Air Quality Management District comes immediately to mind – especially since they were present when the Termo violations were discovered.

Additionally, since the actions of the Termo Company appear willful and intentional, it would also be prudent to ask that District Attorney Jackie Lacey and Attorney General Kamala Harris be respectfully requested to review the case for criminal prosecution, or civil prosecution as allowable by law.

I THEREFORE MOVE that the SCAQMD be requested to report to the City Council any action pending with regard to the Termo Company for the illegal release of natural gas in the Aliso Canyon Field.

I FURTHER MOVE that District Attorney Jackie Lacey and Attorney General Kamala Harris be respectfully requested to review the case for possible criminal or civil prosecution as allowable by law.

PRESENTED BY:

  
 MITCHELL ENGLANDER  
 Councilmember, Twelfth District

SECONDED BY:



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