

State's modified fracking regulations require monitoring of seismic activity

By Timm Herdt Tuesday, June 17, 2014

SACRAMENTO — The state agency charged with implementing California's new law regulating hydraulic fracturing has modified its proposed regulations to require that well operators conduct real-time seismic monitoring when conducting fracking.

In addition, the modified regulations specify that they apply to offshore drilling in state waters, in addition to onshore oil operations.

Those actions were among scores of modifications, most of them technical in nature, made to the proposed regulations after the Division of Oil, Gas and Geothermal Resources received more than 150,000 public comments during the initial review period.

Jason Marshall, chief deputy director of the state Department of Conservation, said the regulations will now require well operators to conduct real-time monitoring of the California Integrated Seismic Network while well-stimulation activity is taking place and for 10 days afterward.

"Operators when engaged in well stimulation need to have that screen up and zoomed in on the area when they are doing the stimulation job," he said.

If an earthquake of 2.0 magnitude or greater occurs during that time, the well stimulation activity must stop, and further activity at that site would not be permitted until an analysis is conducted to determine whether the drilling activity may have contributed to triggering the earthquake.

The revised regulations were released late last week, and will be followed by a new, 45-day comment period. The final regulations must be completed by Oct. 15 so they can be in effect by Jan. 1, as a law signed by Gov. Jerry Brown last year requires.

During the yearlong rule-making process to implement permanent regulations, the state has imposed emergency regulations for the current year that institute most of the provisions called for in the law, including disclosure of chemicals used, notification of neighbors when well stimulation activity is planned, and groundwater monitoring.

The law, Senate Bill 4 by Sen. Fran Pavley, D-Agoura Hills, established what are broadly recognized as the most stringent regulations on hydraulic fracturing of any state.

Opponents of the bill, most of whom believe that only a moratorium or ban on fracking would adequately protect public health and safety, asserted the modified regulations remain insufficient.

"Gov. Jerry Brown's weak fracking rules are a huge gift to oil companies using dangerous chemicals in California communities," said Hollin Kretzmann of the Center for Biological Diversity. "State officials are simply refusing to protect people from fracking pollution."

Marshall said the modification regarding offshore drilling in state waters simply states specifically what has always been the intent that they be covered by the regulations. Most drilling off the California coast, however, occurs in federal waters that are beyond the reach of state regulations.

Another modification will require oil companies or their contractors to notify regulators whenever they use acid treatments designed to maintain their wells. The law allows operators to inject acids into wells for that purpose without triggering a need for a permit. Injection of acids designed to stimulate the flow of hydrocarbons does require a permit.

By requiring that regulators be notified when acid is used for maintenance, Marshall said the state can determine whether operators are abiding by the law's distinction.

Marshall noted that the new state budget provides for 65 new positions at the Division of Oil, Gas and Geothermal Resources to implement the new regulations, which will represent about a 20 percent increase in the agency's staffing.

To fund those positions, the agency last week nearly doubled the regulatory fee assessed on oil produced in California, from 14.37 cents per barrel to 28.64 cents.