

Hydraulic Fracturing and Oil and Gas Reform: 2013 Legislative Priorities

The Problem:

As the fourth largest oil producing state in the country, hydraulic fracturing is already widespread in California, occurring in at least six counties: Kern, Los Angeles, Monterey, Sacramento, Santa Barbara, Ventura. However, there are currently no regulations to ensure the safety of the practice, and no required disclosure of where fracking occurs, what chemicals are injected or any testing for contamination. With the discovery of 15 billion barrels of oil in the Monterey Shale, fracking and other dangerous oil recovery techniques will likely become more widespread, especially in the Central Valley, Central Coast and Southern California.

Significant increases in oil extraction in California, will not only endanger public health and environment, but will undercut the state's commitment to clean, renewable energy and the ability to meet the carbon emission reduction goals set out in AB 32, the Global Warming Solutions Act.



Source: U.S. Energy Information Administration

Legislative Priority #1: Moratorium on hydraulic fracturing

Moratorium on all hydraulic fracturing operations that shall not be lifted until the following actions have been taken:

- An independent commission of experts thoroughly examines all the threats of fracking in California, including potential impacts on water and air quality, water use, greenhouse gas emissions, seismic concerns, chemical use, health impacts, and impacts on the economy such as the agriculture and renewable energy industries;
- The State assesses the threats of other types of oil and gas drilling that are receiving permits, such as shallow diatomite extraction, acid washing, and steam flooding;
- The State determines that fracking can occur in California without putting the environment, health, and communities at risk.

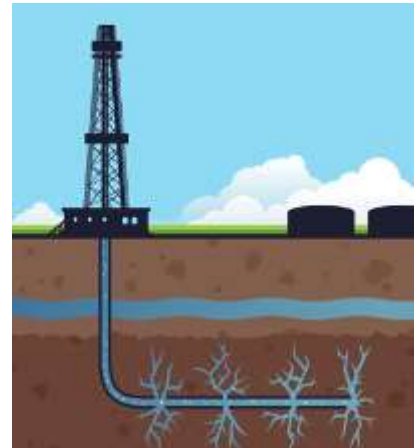
Legislative Priority #2: Groundwater monitoring at oil, gas and injection wells

Protecting California's already-threatened supply of drinking and irrigation water should be a top priority.

- Testing of groundwater should be required before, during and after all oil and gas drilling and extraction and stimulation processes, including hydraulic fracturing.
- Monitoring should include standard water quality and geochemistry, hydrocarbon concentration and composition, and any chemical compounds or constituents that may be introduced to drinking or irrigation sources by the drilling or stimulation process.

Need for Legislative Action:

In 2010-11, the Legislature approved 17 new positions for the Division of Oil Gas and Geothermal Resources (DOGGR) to develop and implement regulations on hydraulic fracturing and other enhanced oil recovery techniques. DOGGR finally agreed to begin the full process of developing these regulations only after pressure from the Assembly Budget Subcommittee 3 in March of 2012. In late 2012, DOGGR released discussion draft regulations on hydraulic fracturing. The proposed rules are woefully inadequate. They propose to facilitate the status quo and will allow for the oil and gas industry to continue operating with little oversight and accountability. The regulations must be improved to meet the following criteria:



- Create a permitting system for hydraulic facturing wherein drillers provide advance notice to the public and the state of proposed fracking that requires that state health and environmental regulators **review the proposed operation for health and safety prior to issuing a permit;**
- Ensure that adequate **public input is provided on proposed regulations and drilling projects**
- Ensure **protections for water**, including groundwater monitoring and wastewater disposal oversight, by giving the regulatory mandate to the state’s water quality agency – the State Water Resources Control Board.
- Ensure that the **quantity of water** used in hydraulic fracturing does not compromise access to drinking and irrigation water.
- Provide better **protections for air and** climate by including the Air Resources Board as a regulator of fracking and require air permits for each operation.
- Require reporting and disclosure of **well-casing failures** to the public and to the state’s water quality agency.
- Require **public disclosure** of chemicals used in fracking, with no exemptions for “trade secrets.”
- Require that drillers provide adequate advance **notification of drilling activities to landowners and water providers.**
- Address other **dangerous extraction techniques** that may also harm the environment and health, such as acid washing and steam flooding.



Until regulations address all of these concerns, and an independent investigation has determined that fracking will not pose significant risks to California’s health, environment and natural resources, the state should enact a moratorium on all hydraulic fracturing.

The new director of the Department of Conservation, Mark Nechodom, after strong questioning at his confirmation has agreed to “keep health and safety as [the] top priority as we develop regulations.” Despite this assurance, DOGGR’s history of facilitating oil and gas extraction and prioritizing the profits of industry does not inspire confidence that the Division will act appropriately on its own accord. The Legislature must act to ensure that DOGGR fulfills its statutory mandate to protect public health and the environment.