

The Aliso Canyon Natural Gas Leak: State and Federal Response and Oversight

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Background

Between October 23, 2015, and February 11, 2016, the Aliso Canyon Underground Storage Facility near the Porter Ranch community in Los Angeles County, California, experienced a large and uncontrolled natural gas leak.

The Aliso Canyon facility, owned and operated by [Southern California Gas Company](#) (SoCalGas), a subsidiary of [Sempra Energy](#), is a depleted oil field that was converted to a natural gas storage reservoir in the 1970s. The facility provides natural gas to the Los Angeles region for residential heating and cooking, for commercial and industrial uses, and as a fuel for electric power plants. According to the Energy Information Administration, the Aliso Canyon facility is the [fourth largest among 418 underground natural gas storage sites](#) in the United States.

The leak was [reportedly](#) caused by damage to a well casing approximately 500 feet underground. The incident released an estimated [5.4 billion cubic feet of natural gas](#) into the atmosphere—equivalent to 94,000 metric tons of [methane](#), a potent greenhouse gas. The risk to safety from the fugitive methane and the presence of [odorants](#) and other chemicals in the gas led to the [temporary relocation](#) of over 2,000 households and two schools. For more on the incident's emissions and their impacts, see CRS Insight IN10448, [The Aliso Canyon Natural Gas Leak: Public Health and Environmental Impacts](#).

State and Local Response and Oversight

SoCalGas is an investor-owned utility in the state of California, permitted and regulated by the [California Public Utilities Commission](#) (CPUC). Principal oversight and accident response authorities rest with state and local agencies. The California governor's office [reported](#) that state agency response included:

- Coordination by the [Governor's Office of Emergency Services](#);

- Oversight of SoCalGas's relief activities by the [Division of Oil, Gas, and Geothermal Resources](#) (DOGGR) within the California Department of Conservation (DOC); the CPUC; and the [California Energy Commission](#);
- Monitoring of public health and welfare and environmental impacts by the [Division of Occupational Safety and Health](#) within the California Department of Industrial Relations and the [Office of Environmental Health Hazard Assessment](#) and the [California Air Resources Board](#) (including the [South Coast Air Quality Management District](#)) within the California Environmental Protection Agency.

DOGGR has launched an [investigation](#) to determine the root cause of the leak and whether any state statutory or regulatory violations occurred. Further, the CPUC has initiated a [staff investigation](#) of SoCalGas's actions before and after the incident.

As a result of the leak, the DOC has adopted [emergency safety regulations](#) for all underground natural gas storage facilities in the state under California's emergency rulemaking process.

Federal Response

The federal government has provided technical assistance in response to the Aliso Canyon incident through a variety of entities. These include the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA).

Existing statutes and regulations that may authorize the federal government to address such incidents include:

- The Natural Gas Pipeline Safety Act of 1968, codified as [49 U.S.C. 60101 et seq.](#), authorizes PHMSA to promulgate minimum safety standards for natural gas pipeline facilities ([49 C.F.R. Parts 100-185](#)). However, court decisions from two different federal circuits ([7th](#) and [10th](#)) are split on whether underground storage reservoirs are classified as "facilities." Currently, PHMSA defers to state agencies, such as the CPUC, to regulate the safety of underground natural gas storage sites within their borders. Further, the agency has worked with industry to develop voluntary safety standards for sites in [depleted hydrocarbon reservoirs](#) and [salt canyon reservoirs](#). After the Aliso Canyon incident, PHMSA [issued a bulletin advising](#) (but not requiring) all storage site operators to follow these voluntary standards.
- The Emergency Powers provisions of Section 303 of the Clean Air Act, codified at [42 U.S.C. 7603](#), authorizes EPA to bring suit, issue orders, or take other action as necessary—"upon receipt of evidence that a pollution source ... is presenting an imminent and substantial endangerment to public health or welfare, or the environment." Additional enforcement authorities to respond to an actual or threatened accidental release of a [regulated substance](#) from a stationary source are provided under Section 112(r)(9) of the Clean Air Act, codified at [42 U.S.C. 7412](#). Herein, methane is designated as a regulated flammable substance. (Federal law generally exempts natural gas from classification as either a [solid](#) or [hazardous waste](#) under the [Resource Conservation and Recovery Act](#) of 1976 ([P.L. 94-580](#)), as amended, or from federal response and liability authorities under the [Comprehensive Environmental Response, Compensation, and Liability Act](#) of 1980 ([P.L. 96-510](#)), as amended.)

New Federal Standards

Several bills to reauthorize PHMSA in the 114th Congress would require the agency to promulgate minimum federal safety standards for underground natural gas storage facilities. The Securing America's Future Energy: Protecting Infrastructure of Pipelines and Enhancing Safety (SAFE PIPES) Act ([S. 2276](#)) and the Natural Gas Leak Prevention Act ([H.R. 4429](#)) would require PHMSA to issue regulations within two years. The Underground Storage Safety Act ([H.R. 4578](#)) would require the agency to issue regulations within 180 days, requiring, at a minimum, operator compliance with the current voluntary safety standards referenced in PHMSA's advisory bulletin. Whether or not these bills are enacted, President Obama has [reportedly](#) committed to direct PHMSA to promulgate safety standards under the agency's existing statutory authority.

EPA Administrator Gina McCarthy has [reportedly](#) stated an intent for the agency to "do more" to curb methane emissions from existing sources in the oil and gas industry. Currently, the Administration is scheduled to finalize [new](#)

[source performance standards](#) for the sector this summer. As proposed, the rules would not cover the Aliso Canyon facility, because, among other reasons, (1) the standards apply to new and modified sources of emissions, not existing ones, and (2) the standards do not list underground storage facilities as a covered source category.