

Docket: : I.19-06-016
Exhibit Number : _____
Commissioner : Cliff Rechtschaffen
Admin. Law Judge : Tim Kenney
: Marcelo Poirier
:



**SAFETY ENFORCEMENT DIVISION
CALIFORNIA PUBLIC UTILITIES COMMISSION**

**CHAPTER EIGHT
PREPARED SUR-REPLY TESTIMONY
OF
MARGARET FELTS IN RESPONSE TO
REPLY TESTIMONY OF DARREL JOHNSON**

San Francisco, California
June 30, 2020

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1 **I. INTRODUCTION**

2 The purpose of the following prepared Sur-Reply testimony, submitted on behalf
3 of the California Public Utilities Commission s (Commission”) Safety Enforcement
4 Division (SED”), is to reply to the testimony of Darrell Johnson on behalf of Southern
5 California Gas Company.

6 **II. WITHDRAWAL OF VIOLATION 88 AND REASON 16**

7 Mr. Johnson states that I allege in my opening testimony that, SoCalGas is in
8 violation of California Public Utilities Code Section 451 (Section 451) because SoCalGas
9 did not disclose to the Department of Public Health that the natural gas released from
10 October 23, 2015 to February 12, 2016 contained crude oil, thereby impairing the
11 Department of Public Health s ability to timely study the associated health impacts”
12 (Violation 88).”¹ I am withdrawing violation 88 from my Opening Testimony, and
13 Reason 16 from my Reply Testimony. Both of these items are related to SoCalGas
14 failure to disclose to Los Angeles County Department of Public Health known facts that
15 crude oil was released from well SS-25 during the incident.

16 However, I have recently discovered evidence that shows SoCalGas purposely
17 extracted oil and vented it into the atmosphere during the SS-25 incident. Because of this
18 recent discovery and the importance of it related to public health, I am adding a violation
19 related to it, violation 331.

20 **III. VIOLATION 331: SOCALGAS PURPOSELY EXTRACTED**
21 **AND VENTED OIL INTO THE ATMOSPHERE DURING**
22 **THE SS-25 INCIDENT ON NOVEMBER 13, 2015, WHICH IS**
23 **A 451 VIOLATION BECAUSE IT EXPOSED PEOPLE NEAR**

¹ Johnson Testimony, p. 1, lines 8-12.

1 **THE WELL AND THE PUBLIC, TO HAZARDOUS**
2 **SUBSTANCES**

3 On November 13, 2015, SoCalGas sent an internal message that stated,
4 Per Incident commander Glenn La Fever. During the repair process to
5 mitigate the Leak at the well head in Aliso Canyon, oil was extracted and
6 was vented into the atmosphere. There is an oily mist that may potentially
7 be moving into the Porter Ranch area. Customer Service Field,
8 Distribution and Meter Reading employees who are or may be headed to
9 work in the area have been given instructions to avoid the Porter Ranch
10 area until further notice. The Customer Contact Center has been notified.^{2 3}

11
12 November 13, 2015 was the date of the second well kill attempt.⁴ During that well
13 kill attempt SoCalGas records show the tubing pressure popped up to over 4000 psig
14 briefly, then dropped to zero.⁵ Halliburton shows pump pressures exceeding 2000 psi
15 around 4 PM were used to pump viscous fluids into well SS-25 in an attempt to overcome
16 the gas flow and bottom-hole pressures to kill the well.⁶ Apparently, during the day, and
17 before 5:26 PM, which is the time stamp for the text message that went out, there was a
18 release of gas, oil and brine that shot feet into the atmosphere and covered the
19 surroundings with oil.⁷

20 A review of emails and documents provided by SoCalGas in response to SED data
21 requests did not turn up a description of this event. Specifically, there is no mention in
22 either the SoCalGas daily report or the Boot & Coots daily report for November 13,

² AC_CPUC_SED_SELGA_0000965.

³ Because I have just recently found this evidence, on behalf of Safety and Enforcement Division, I would support SoCalGas' request to produce additional testimony for purposes of responding to this one violation.

⁴ For the list of kill attempts identified by Blade in the RCA, see Chapter 4, Section II.

⁵ Page 9 from AC_CPUC_SED_DR_17_0002635.

⁶ 2015.1113.Halliburton.Pump.Pressures SS-25.

⁷ Based on oral comment that I recall hearing in a non-related meeting around the time of the incident. I have not been able to confirm this fact with SoCalGas documentation.

1 2015.⁸ A search of the California Geologic Energy Management Division (CalGEM)⁹
2 web site records for underground storage and the SS-25 well failure event turned up no
3 mention or report on the incident even though it appears that a representative may have
4 been present that day.¹⁰ There is another email message from C. Brandy to Bret Lane
5 asking about the text message quoted above, but there are no email responses from Bret
6 Lane regarding the subject.¹¹ In this email, Brandy states

7 Elaine got this as a text at 3:00 but seems strange neither Todd or I
8 got it. Just want to make sure this isn't something fishy especially
9 since it isn't even accurate. Brine is not oil.¹² [this message is
10 followed by the one quoted above]¹³
11

12 In a document titled "Standard Sesnon 25 Chronology of Events," sent from
13 SoCalGas to California Geologic Energy Management Division (CalGEM) the last
14 item on page 1 states:

15 November 13, 2015 - The third well control attempt was made but
16 with much more heavy mud. During the attempt ground surface vent
17 opened up about 20 feet to the north of the well emitting high
18 volume of gas. All other gas leaks around the well ceased.¹⁴
19

20 I assume this is a description of the event that was documented in the text messages noted
21 above. It downplays the sequence of events, failing to report the purposeful release. In
22 addition, based on dates of kill events identified by Blade,¹⁵ the kill attempt on November

⁸ Page.32.from AC_CPUC_SED_DR_16_0000649-1026.Incident.Day and Report#20 from Boots&Coots.DailyReports.

⁹ Formerly known as the Division of Oil & Gas (DOGGR).

¹⁰ AC_CPUC_SED_DR_17_0002068.shallow.gas.recovery – this memo discusses other issues related to the SS-25 situation, but puts a representative at the well site on 11/13/2015.

¹¹ AC_CPUC_SED_DR_17_0002072.

¹² AC_CPUC_SED_DR_17_0002072.

¹³ AC_CPUC_SED_SELGA_0000965.

¹⁴ AC_CPUC_SED_DR_17_0022682 and AC_CPUC_SED_DR_17_0022683. Note that the email, doc 22682, is a response "Thanks" to Mr. Van de Putt for sending the Timeline.

¹⁵ For the list of kill attempts identified by Blade in the RCA, see Chapter 4, Section II.

1 13, 2015 was the second kill attempt, so, based on this memo, it is possible that another
2 attempt was tried by SoCalGas or Boots and Coots.¹⁶

3 Finally, in a response to SED s data request DR 33¹⁷ SoCalGas provided a Draft

4 Timeline of Events. The entry for November 13, 2015 states:

5 November 13 - Tubing perforation activities performed and attempted stop
6 the flow of gas by putting fluids down the well. During this operation, there
7 was a release of a mist into the air. Based on the information at this time, it
8 is not believed that these materials pose a threat to public health. Out of an
9 abundance of caution, residents were notified to stay inside. Once
10 determined that the mist was contained to our facility, residents were again
11 notified that there was no reason to remain inside. Office of Emergency
12 Services and National Response Center were notified of the release. They
13 were updated at 3:14 pm that flow was reduced.

14
15 SoCalGas provided no evidence to support the statements regarding
16 reporting the incident or notifying the residents.¹⁸

17 This response was provided in the text of a supplemental response to the data
18 request and is therefore not stamped with a SoCalGas bates number. No supporting
19 documents were provided with the response. The Draft Timeline of Events provided to
20 SED conflicts with the internal text message sent to SoCalGas personnel on November
21 13, 2015¹⁹ and states facts that were not included in the Standard Sesnon 25 Chronology
22 of Events that appears within SoCalGas documents.

23 In conclusion, records suggest that a purposeful release of oil and gas occurred and
24 that SoCalGas subsequently attempted to cover up the facts surrounding this release in
25 violation of 451.

¹⁶ My review of records provided in response to SED DRs suggests there may have been additional well kill attempts.

¹⁷ DR33.01 SCG memo - Q12f amend 7-Dec-18.

¹⁸ DR33.01 SCG memo - Q12f amend 7-Dec-18.

¹⁹ AC_CPUC_SED_SELGA_0000965.