

## **NOTICE OF PUBLIC COMMENT PERIOD**

### **PRE-RULEMAKING PUBLIC COMMENT PERIOD ON COST ESTIMATE REGULATIONS FOR OIL AND GAS OPERATIONS**

April 4, 2022

The Department of Conservation's Geologic Energy Management Division (CalGEM) is soliciting public comment on pre-rulemaking draft regulations (Discussion Draft) that establish criteria and requirements for operators to estimate and report their total liability to plug and abandon all wells and to decommission all attendant production facilities.

**Public comment can be submitted through May 20, 2022.**

#### **BACKGROUND**

In 2019, Senate Bill 551 (Jackson, Chapter 774, Statutes of 2019) was signed into law, requiring CalGEM to set criteria for the submission of operator cost estimates for the plugging and abandonment of wells, decommissioning of attendant facilities, and site remediation associated with California oil and gas operations.

CalGEM plans to institute a formal rulemaking to set criteria for the implementation of these requirements, and is currently in the pre-rulemaking phase. As part of this phase, CalGEM is releasing a discussion draft for public comment. All interested parties are encouraged to participate.

This Discussion Draft outlines the criteria that would be required of an operator in submitting cost estimates consistent with Public Resources Code 3205.7, including the types of estimates that must be submitted, methodologies that operators would use to calculate their reasonable cost estimates, documentation requirements, and Cost Estimate Report due dates.

#### **Document Availability**

The Discussion Draft and related documents and information are available on the CalGEM website at:

<https://www.conservation.ca.gov/calgem/Pages/Oil,-Gas,-and-Geothermal-Rulemaking-and-Laws.aspx>

## **COMMENTS AND PARTICIPATION**

### **Submission of Written Comments**

Written submissions may be provided through May 20, 2022, by email at:  
[calgemcostestimates@conservation.ca.gov](mailto:calgemcostestimates@conservation.ca.gov).

Hard copy comments can be submitted to:

Department of Conservation  
715 P Street, MS 1907  
Sacramento, CA 95814  
Attn: CalGEM Cost Estimates

Written and oral comments received during the comment period will be reviewed and considered in developing the proposed regulations for formal rulemaking. The revised set of proposed regulations will be made public when CalGEM commences a formal rulemaking process.

### **Stakeholder & Public Engagement**

CalGEM is not intending to hold a formal public workshop on this proposed rulemaking at this time but will be meeting with stakeholders virtually in small groups to collect input. If you would like to participate in a small group meeting to discuss these regulations or believe a public workshop is needed, please contact Sarah Rubin, Outreach and Engagement Coordinator.

Email: [Sarah.Rubin@conservation.ca.gov](mailto:Sarah.Rubin@conservation.ca.gov) | PH: (916) 322-3080

### **Request for Cost Information and Alternatives**

CalGEM is specifically requesting recommendations for potential alternatives to the requirements of this Discussion Draft, as well as specific data regarding the cost to comply with proposed requirements. Suggestions about a regulatory requirement or alternative approach are most helpful if they are supported by discussion of the associated costs and benefits.

## **CONTACT INFORMATION**

If you have any questions regarding the process for this public comment period, or if you would like to receive a hard copy of the draft rule by mail, please contact the Office of Legislative and Regulatory Affairs, at (916) 322-3080, or by email at [calgemcostestimates@conservation.ca.gov](mailto:calgemcostestimates@conservation.ca.gov).

## **ACCESSIBILITY**

If you have a disability and require a reasonable accommodation to access the documents and information associated with this pre-rulemaking process, please contact Sarah Rubin, Outreach and Engagement Coordinator as soon as possible to discuss your accessibility needs.

Email: [Sarah.Rubin@conservation.ca.gov](mailto:Sarah.Rubin@conservation.ca.gov) | PH: (916) 322-3080

Translation and interpretation services to facilitate comment may be provided with prior arrangement. To ensure availability of these services, please request translated documents or an interpreted meeting by contacting Sarah Rubin, Outreach and Engagement Coordinator as soon as possible to discuss your language needs.

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