

SoCalGas-30-2

Prepared Supplemental Rebuttal Testimony of Glenn La Fevers

(October 26, 2020)

I.19-06-016

ALJs: Hecht/Poirier

Date Served: March 31, 2021

Order Instituting Investigation on the Commission's Own Motion into the Operations and Practices of Southern California Gas Company with Respect to the Aliso Canyon storage facility and the release of natural gas, and Order to Show Cause Why Southern California Gas Company Should Not Be Sanctioned for Allowing the Uncontrolled Release of Natural Gas from Its Aliso Canyon Storage Facility. (U904G).

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CHAPTER I

PREPARED SUPPLEMENTAL REBUTTAL TESTIMONY OF GLENN LA FEVERS ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G)

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CHAPTER I

**PREPARED SUPPLEMENTAL REBUTTAL TESTIMONY OF GLENN LA FEVERS
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G)**

I. INTRODUCTION

The purpose of my prepared supplemental rebuttal testimony on behalf of Southern California Gas Company (SoCalGas) is to address Violation 331 alleged in Chapter Eight of the Prepared Sur-Reply Testimony of Margaret Felts on behalf of the California Public Utilities Commission's (Commission) Safety and Enforcement Division (SED).¹ Ms. Felts alleges SoCalGas violated California Public Utilities Code Section 451 (Section 451) in two different ways.² First, Ms. Felts alleges SoCalGas "purposely extracted and vented oil into the atmosphere during the SS-25 incident on November 13 2015, which is a 451 violation because it exposed people near the well and the public, to hazardous substances."³ Subsequently, Ms. Felts alleges "records suggest that a purposeful release of oil and gas occurred and that SoCalGas subsequently attempted to cover up the facts surrounding this release in violation of 451."⁴ As further discussed below and evidenced in the attached materials, as well as the attachments referenced in Ms. Felts' sur-reply testimony, there is no merit to this alleged violation because the release was an unavoidable byproduct of the well kill attempt, SoCalGas notified the relevant agencies and community, the release was documented, and no offsite impact occurred as a result of the release.

¹ On September 4, 2020, ALJ Poirier granted SoCalGas leave to submit supplemental rebuttal testimony regarding Violation No. 331. In an October 15, 2020 Ruling of ALJs Poirier and Hecht further provided that the "supplemental rebuttal testimony previously due on September 29, 2020, shall be served not later than October 26, 2020. The scope of this testimony remains limited to the issues identified in the September 4, 2020, Administrative Law Judge Ruling."

² Ms. Felts states she recently discovered evidence in support of Violation No. 331; however, the exhibits cited in support of SED's alleged violation were produced by SoCalGas to SED in 2018.

³ SED Sur-Reply Testimony, Chapter 8 at 1-2.

⁴ *Id.* at 4.

II. SUMMARY OF SED ALLEGED VIOLATION

Ms. Felts' sur-reply testimony includes a number of unsupported "facts" and postulations based on misreadings of documents in an effort to assert a violation of Section 451. Ms. Felts' sur-reply testimony alleges that SoCalGas purposely extracted and vented oil into the atmosphere during the SS-25 incident on November 13, 2015, which exposed "people near the well and the public, to hazardous substances,"⁵ but she does not elaborate on (or support with evidence) the latter assertion (that the release of oil exposed people near the well and the public to hazardous substances); she merely summarily writes it in a heading. Ms. Felts further alleges, in the concluding sentence of Chapter Eight, that SoCalGas subsequently attempted to cover up facts surrounding the release, in violation of Section 451. This allegation is based on speculation and misinterpretation of documents that have been in SED's possession since 2018. I offer this testimony based on my knowledge of and involvement in the events on November 13, 2015 and related activities as well as my review of the relevant documents referenced herein.

III. THE RELEASE WAS AN UNAVOIDABLE BYPRODUCT OF THE WELL KILL ATTEMPT ON NOVEMBER 13, 2015

SoCalGas' efforts with regard to the well kill operations are detailed in SoCalGas' Opening Testimony Chapter II (Schwecke). Boots & Coots performed a number of well kill attempts on SS-25 from November 13, 2015 through December 22, 2015. On November 13, 2015, Boots & Coots executed its first well kill (the second kill attempt overall);⁶ however, the operation did not stop the flow of gas up the well, and well kill fluid pumped into the well came

⁵ *Id.* at 1-2.

⁶ Ms. Felts states her "review of records provided in response to SED DRs suggests there may have been additional well kill attempts." (SED Sur-Reply Testimony, Chapter 8 at 4, fn. 16.) Blade, who had access to SoCalGas' and Boots and Coots' daily reports, concluded that seven kill operations, including a second kill attempt on November 13, 2015, were attempted to bring the well under control and to stop the leak. (Blade Main Report at 144-146; Supplementary Report, Volume 3, SS-25 Transient Well Kill Analysis.)

1 out to surface instead of staying in the wellbore. Because Aliso Canyon is a depleted oil field
2 there is some residual oil within the field. As further described in SoCalGas' Supplemental
3 Rebuttal Testimony Chapter II (Abel), the release of oil, which was entrained in the resurfaced
4 fluids,⁷ was an ancillary and unavoidable byproduct of the well kill attempt and to the
5 achievement of SoCalGas' main objective, i.e., to safely control the well.⁸ As such, Ms. Felts'
6 contention that SoCalGas purposely extracted and vented oil into the atmosphere in violation of
7 Section 451 is unsupported.

8 Moreover, there was no attempt to "cover up" the release. Representatives from the
9 Division of Oil, Gas and Geothermal Resources (DOGGR, presently known as the California
10 Geologic Energy Management or CalGEM) were present at Aliso Canyon during the well kill
11 attempt on November 13, 2015.⁹ A DOGGR field engineer who witnessed the SS-25 pumping
12 operations summarized the day's events in writing, noting that "the well began to blowout to
13 surface;" "[a] large column of gas, aerated mud, and rock formed a geyser around the well head;"
14 and "[m]ud brine also began to flow from around the well head fissures."¹⁰ Further, the DOGGR
15 engineer noted that, "[a]fter speaking with Bret Lane and Danny Clayton with Boots and Coots,
16 **it was agreed that the operator should continue to pump the well despite the surface gas**
17 **leakage as this may be the best opportunity to kill the well.**"¹¹ Thus, not only did SoCalGas
18 not "cover up" the release, but the event was also *considered* by DOGGR, SoCalGas, and Boots
19 and Coots, and the decision was made that the well control operation should continue.

⁷ Since the gas storage reservoir is a depleted oil-bearing zone, storage wells produce some residual oil when gas flows out from the reservoir.

⁸ See Ex. I-3 at 1 ("During well kill a mist is releasing due to pressure, material is flowing directly into the atmosphere and pooling at the base of the well on soil ...").

⁹ See Ex. I-1.

¹⁰ Ex. I-1 at 1.

¹¹ *Id.* at 2 (emphasis added).

1 **IV. THE MESSAGE CENTER REPORT FAILS TO SUPPORT SED'S**
2 **ALLEGATION THAT THE RELEASE WAS PURPOSEFUL**

3 Ms. Felts' sole support for Violation 331 is her interpretation of what she characterizes as
4 a text message.¹² Her testimony suggests, without explanation or support, that the release was
5 "purposeful." In explaining how the text message supported her theory, in a response to
6 SoCalGas' data request, Ms. Felts states, "[g]rammatically, this is a purposeful statement and
7 cannot be construed otherwise."¹³

8 The text message to which Ms. Felts refers is a Message Center Report (MCR) issued on
9 November 13, 2015 at 3:00 p.m. which states: "[d]uring the repair process to mitigate the Leak at
10 the well head in Aliso Canyon, oil was extracted and was vented into the atmosphere."¹⁴
11 SoCalGas' Message Center Reporting acts as the central point for receiving information on
12 incidents, emergencies, and natural disasters affecting the company. Messages are received by
13 dispatch directly from the field or from relevant operating organizations. Dispatch is responsible
14 for receiving the information and creating the MCR, and then issuing the MCR to relay
15 information to selected personnel so that further action can be taken as necessary.

16 On November 13, 2015, I reported the release to Dispatch. Dispatch took the information
17 provided and developed the MCR. Note that dispatch does not have technical expertise, and
18 certainly not with respect to well control operations. The MCR does not state that SoCalGas
19 "purposely" extracted and vented oil to the atmosphere. Ms. Felts' hypothesis that the grammar
20 used by dispatch plainly evidences that SoCalGas intentionally extracted and vented oil is simply
21 wrong.

¹² SED Sur-Reply Testimony, Chapter 8 at 2.

¹³ Ex. I-2 at 1.

¹⁴ SED Sur-Reply Testimony, Chapter 8 at 2.

1 Ms. Felts also attempts to support her testimony based on her recollection of an oral
2 comment purportedly made in “a non-related meeting around the time of the incident,”¹⁵ but this
3 “evidence” is so lacking in detail that it is simply not credible. When asked to identify details
4 regarding the referenced meeting, Ms. Felts responded, “I have not been able to definitively
5 recall when I heard the comment or who made it. Since I was not on contract yet, I know the
6 meeting was not associated with this case. I only know that when I came into the project, I had in
7 mind to look for evidence of the event as I worked through the evidence.”^{16,17} This does not
8 support her testimony.

9 **V. SOCALGAS NOTIFIED THE COMMUNITY AND THE RELEVANT**
10 **AGENCIES, AND THERE WAS NO OFFSITE IMPACT**

11 Contrary to Ms. Felts’ contentions, SoCalGas did not attempt to cover up the release. In
12 fact, SoCalGas provided notice of the event to both the public and to relevant agencies. On
13 November 13, 2015 at 1:34 PM, SoCalGas notified the Governor’s Office of Emergency
14 Services (CalOES) of the release and included in its report that the substance was “Oil – Crude
15 Type.”¹⁸ SoCalGas reported that, “[d]uring well kill a mist is releasing **due to pressure**, material
16 is flowing directly into the atmosphere and pooling at the base of the well on soil, mist is
17 traveling Southwest in the air from the well head, no estimate of containment at this time, RP is
18 handling containment and clean up.”¹⁹ At 1:56 PM, an update to CalOES reported the wind
19 speed and receipt of the National Response Center (NRC) Report.^{20,21} At 3:14 PM, SoCalGas

¹⁵ *Id.*

¹⁶ Ex. I-2 at 2.

¹⁷ And still, this issue was not raised in the first nor second rounds of Ms. Felts’ testimony.

¹⁸ Ex. I-3 at 1.

¹⁹ *Id.* (emphasis added).

²⁰ See Ex. I-3.

²¹ See <https://nrc.uscg.mil/FOIAFiles/CY15.xlsx>. The relevant excerpt of the NRC Report is attached hereto as Ex. I-9.

1 provided its final status update to CalOES, reporting that, “[t]he mist flow has reduced and **no**
2 **off site impact has occurred.**”²²

3 Ms. Felts’ suggestion that SoCalGas attempted to cover up facts surrounding this release
4 is simply false. The CalOES report is publicly available and accessible online.²³ Further,
5 CalOES’ notification list includes the following agencies: the Administering Agency/Certified
6 Unified Program Agency (AA/CUPA), California Department of Fish and Wildlife Office of
7 Spill Prevention (DFG-OSPR), California Department of Toxic Substances Control (DTSC),
8 Regional Water Quality Control Board (RWQCB), United States Environmental Protection
9 Agency (US EPA), United States Department of Fish and Wildlife Services (USFWS),
10 California Air Resources Board (AIR RESOURCES BD), the California Department of Public
11 Health District Office (CDPH-D.O.), the Division of Oil, Gas and Geothermal Resources
12 (DOGGR), the Bureau of Safety and Environmental Enforcement (BSEE), Los Angeles County
13 Department of Public Health (Co/Hlth), and Los Angeles County Department of Environmental
14 Health (Co/E-Hlth).²⁴

15 SoCalGas’ notification to the NRC notes that, “during well kill activities an oily mist was
16 being released into the air as well as oily liquid being released to the ground in the area of the

²² Ex. I-3 at 4 (emphasis added).

²³ The CalOES Report and updates (Ex. I-3) are available via the following links:

<https://w3.calema.ca.gov/operational/malhaz.nsf/f1841a103c102734882563e200760c4a/5cfe9195945842e088257efc00767af3?OpenDocument&Highlight=0,15-6708;>
<https://w3.calema.ca.gov/operational/malhaz.nsf/f1841a103c102734882563e200760c4a/e6583981879f9ea688257efc0078913e?OpenDocument&Highlight=0,15-6708;>
<https://w3.calema.ca.gov/operational/malhaz.nsf/f1841a103c102734882563e200760c4a/c09f3e9554f5afd8a88257efc007fae44?OpenDocument&Highlight=0,15-6708.>

²⁴ See Ex. I-3.

1 well.”²⁵ The NRC report also notes that the material was crude oil and DOGGR was on site
2 during the release.²⁶ This NRC report is publicly available and accessible online.²⁷

3 Similarly, SoCalGas provided notifications related to the release to the community and
4 the public. On November 13, 2015, SoCalGas issued automated telephone notifications to the
5 community – an “Outbound Dial Message – Stay Indoor Notification” and “Outbound Message
6 All Clear Notice”—notifying residents of the release.²⁸ Also, on November 14, 2015, SoCalGas
7 posted an update on its website related to the release,²⁹ noting:

8 On Friday [November 13, 2015], some of the brine solution did come back up, and
9 it created a mist in the air over the facility. Out of an abundance of caution, we
10 assumed the mist could contain oily residues (The storage field is depleted oil field.)
11 and could travel beyond the facility. As a result, we immediately alerted the
12 residents in nearby communities to stay indoors. As soon as we recognized the mist
13 would not travel beyond the facility, we advised residents there was no reason to
14 stay indoors.

15 We conferred with the Health Department, the LA County Department of Health
16 and HazMat and the SCAQMD. Our initial observations later in the day led us to
17 believe the contents of the mist were likely mostly a mixture of mud and the brine
18 solution; however, we have sent samples for analysis to be certain of its contents.
19 When we receive the final report from the laboratory, we will make this information
20 available.³⁰

21 SoCalGas sent samples to an outside laboratory for analysis, and its website update noted
22 the analysis determined the liquid was non-hazardous.³¹ SoCalGas produced the laboratory
23 reports to SED on November 17, 2015.³² Moreover, it was determined that no offsite impact had
24 occurred.³³

²⁵ Ex. I-9, NRC Report/Incident Commons at 1.

²⁶ Ex. I-9, NRC Report/Incident Details at 8; NRC Report/Material Involved at 1.

²⁷ The NRC Report is available via the following link: <https://nrc.uscg.mil/FOIAFiles/CY15.xlsx>.

²⁸ Ex. I-4 at 4.

²⁹ Ex. I-4 at 4; *see* Ex. I-5.

³⁰ Ex. I-5 at 1.

³¹ *See* Ex. I-6; Ex. I-7.

³² *See* Ex. I-7.

³³ *See* Ex. I-3; Ex. I-5.

1 SoCalGas provided SED information regarding the agency reports and community
2 notifications almost five years ago.³⁴ Ms. Felts now states that “SoCalGas provided no evidence
3 to support the statements regarding reporting the incident or notifying the residents.”³⁵ However,
4 Ms. Felts fails to note that, despite the fact that the relevant information was in fact in SED’s
5 possession, SED never sent SoCalGas any data requests seeking documents related to these
6 notifications. In response to SoCalGas’ request to identify all data requests in which SED
7 requested that SoCalGas provide such “evidence” or “supporting documents,”³⁶ Ms. Felts
8 responded that she was not aware of any specific SED data request asking SoCalGas to provide
9 such evidence or supporting documents.³⁷ Ms. Felts further notes that since she “came to this
10 project in the fall of 2019,” she is “also not aware of any conversations, discussions, or other
11 communications that may have occurred regarding evidence in this case prior to fall of 2019.”³⁸
12 Ms. Felts’ suggestion that SoCalGas failed to report the release to the agencies or notify the
13 community, or subsequently tried to cover it up, is false.

14 **VI. SED MISCHARACTERIZES THE DOCUMENTS REFERENCED IN ITS SUR-**
15 **REPLY TESTIMONY**

16 Ms. Felts seems to misrepresent several documents referenced in her sur-reply testimony.
17 Ms. Felts claims that “[a] review of emails and documents provided by SoCalGas in response to
18 SED data requests did not turn up a description of this event” and “there is no mention in either
19 the SoCalGas daily report or the Boots & Coots daily report for November 13, 2015.”³⁹ However,
20 this is false. The Boots and Coots report dated November 13, 2015 specifically notes that

³⁴ See Ex. I-7.

³⁵ SED Sur-Reply Testimony, Chapter 8 at 4.

³⁶ Ex. I-2 at 3.

³⁷ *Id.*

³⁸ *Id.*

³⁹ SED Sur-Reply Testimony, Chapter 8 at 2-3.

1 “[b]rine, **oil**, and gas flowing from fissures on pad.”⁴⁰ Further, SoCalGas’ daily well work report
2 from that date states, “[a]fter 693 bbls pumpd, brine, **oil** and gas flowing from surface cracks.”⁴¹
3 Also, as noted above, the CalOES and NRC reports, which were publicly available, both note oil.
4 The event was also noted in the Blade Report.⁴² As such, Ms. Felts’ suggestion that the release
5 was not documented is inaccurate and contradicted by reference to a number of different sources.

6 Ms. Felts also incorrectly states that the document titled “Standard Sesnon 25
7 Chronology of Events” was sent by SoCalGas to DOGGR. The materials referenced in Ms.
8 Felts’ sur-reply testimony clearly show that this document was generated by DOGGR and was
9 sent by email to SoCalGas.⁴³ Ms. Felts postulates, without any other support, that since the body
10 of the DOGGR’s email providing the document to SoCalGas says “Thanks,” SoCalGas created
11 this document.⁴⁴ Again, this is both incorrect and unsupported.

12 Ms. Felts also incorrectly states that SoCalGas provided the Draft Timeline of Events in
13 response to SED Data Request 33 dated October 23, 2018.⁴⁵ SoCalGas provided SED the Draft
14 Timeline of Events in response to an SED request on November 15, 2015, i.e., while the leak
15 was still ongoing. Almost three years later, SED Data Request 33 asked SoCalGas to reference
16 the prior Draft Timeline of Events in order to answer a series of questions related to the timeline
17 (which only related to the tubing perforation activities that day). Ms. Felts also states in her
18 testimony that SoCalGas’ Draft Timeline of Events conflicts with the MCR issued on November

⁴⁰ SED Sur-Reply Testimony, Chapter 8 Exhibits (SED SUR_REPLY_002188) (emphasis added).

⁴¹ Ex. I-8 at 1 (emphasis added).

⁴² See Blade Main Report at 145.

⁴³ SED Sur-Reply Testimony, Chapter 8 Exhibits (SED SUR_REPLY_002192).

⁴⁴ SED Sur-Reply Testimony, Chapter 8 at 3, fn. 14.

⁴⁵ *Id.* at 4.

1 13, 2015,⁴⁶ but in response to SoCalGas' discovery, Ms. Felts was not able to specifically
2 identify any conflicting facts.⁴⁷

3 **VII. CONCLUSION**

4 As demonstrated herein, Violation 331, that SoCalGas purposefully extracted and vented
5 oil into the atmosphere on November 13, 2015, and subsequently attempted to cover up facts
6 surrounding the release, is without factual support and is demonstrably inaccurate.

7 This concludes my prepared supplemental rebuttal testimony.
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⁴⁶ *Id.*

⁴⁷ Ex. I-2 at 3-4.

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I joined SoCalGas in 1983 as a Station Assistant at the Pacific Offshore Pipeline Company (POPCO) natural gas treatment facility. While at POPCO, I held numerous positions with increasing levels of responsibility including Operator, Laboratory Technician, Shift Supervisor, Safety Training Supervisor and Environmental Coordinator. While working directly at SoCalGas the positions I have held include Field Safety Advisor, Operations Supervisor, Principal Environmental Specialist and Storage Operations Manager. In addition, I have held the position of Principal Auditor in the compliance group at Sempra.

I received a bachelor's degree in Geological Sciences from the University of California at Santa Barbara (UCSB) in 1980, and a Bachelor's degree in Environmental Studies from UCSB in 1991.