



WEDNESDAY, MARCH 9, 2016

CALL TO ORDER

Chair, Dr. Longley called to order a special workshop on Oilfields, held in Bakersfield

BOARD MEMBERS PRESENT

Costantino, Jon	Kadara, Denise, Vice-Chair	Longley, Karl, Chair	
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STATE BOARD OFFICE OF CHIEF COUNSEL STAFF AND OTHER STAFF PRESENT

Pulupa, Patrick	Yu, Stephanie		
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STAFF PRESENT

Aghazeynali, Hossein	Creedon, Pamela	Jarvie, Zachary	Rodgers, Clay
Asami, Rebecca	Harvey, Dale	Mahoney, Joshua	Sauceda, Ralph
Baumann, Denise	Holcomb, Ronald	Moreno, Roberto	

OTHERS PRESENT

Clark, Les	Darpazanic, Tina	Kelbel, Dundee	Reedy, Chris
Esparza, Rosanna PhD	De Dios, Nora	Kimber, Jeff	Rivera, Willie
Fox, Dennis	Destrampe, Terry	Lake, Jason	Rosenlieb, Trent
Kindler, J.L.	Eady, Nathan	Lamond, Ray	Roth, Amy
Lubbon, Ben	Ellis-McNaboe, Jane	Lilien, Jonathan	Saini, Dayanand
Agbalog, Romeo	Ellison, Burton	Little, Jeff	Scareberg, Barry
Ainsworth, Beth	Emerson, Russell	Lovley, Tim	Schroepfer, Terry
Anderson, Bennett	Erisman, Kelley	Magargee, Mark	Selgrath, Joe
Ansolfboher, David	Frederick, Jess	Marquez, Don	Sharma, Rohit
Auffant, Abby	Gallagher, Tara	Martin, Jordan	Smith, Mark
Baca, Cathy	Garcia, Rick	Mason, Fred	Tellegan, Gwen
Bartling, Sarah	Gillespie, Janice	McCovic, Uliana	Thompson, James
Beyewer, Shawn	Gordus, Andy	McNeal, Rachel	Vandervert, Ted
Bork, Ken	Gorham, Bill	Mele, Tom	VanGrinson, Matthew
Boswell, Dan	Graves, Megan	Miller, Todd	Waggoner, Allen
Boyer, Kristine	Grillette, Gary	Mitchell, Ken	Waldron, Jim
Brierley, Gary	Gruber, John	Mitchell, Theresa	White, Billy
Buddan, R T	Hall, Chris	Morrison, Chris	White, Brian
Burzlaff, Alan	Heard, Darin	Muhar, Jeevan	Wight, Ashton
Cabrales, Luis	Holmes, Alex	Nakatani, Keith	Wilkinson, Frank
Calcagno, Kevin	Holmes, Brent	Padilla, Daniel	Williams, Tom Dr.
Califf, Brad	Horne, Randy	Payne, Chuck	Willis, Pamela
Campbell, Charlotte	Hussain, Amer	Pearen, Holly	Wilson, Mary Jane
Carlton, Gary	Jeffries, Darin	Penza, Chris	Wilson, Matt
Caywood, Howard	Johnson, Jeff	Pipes, Bill	Zablocki, Amy
Chamberlain, Janel	Johnson, Malcolm	Pitcher, Jenifer	Zimmerman, Christine
Chambers, Ron	Kaloostian, Maryalice	Pledger, Jean	Reedy, Chris

Summary of the Work Shop

After initial introductions of the Chairman and Board Members Central Valley Water Board staff gave the Board an update on activities within the Oilfield unit. Ron Holcomb covered updates on disposal ponds and a workshop on the forthcoming proposed general orders. Rebecca Asami covered an update on the Food Safety Expert Panel. And Dale Harvey covered updates on Well Stimulation (SB4) and Underground Injection Control.

Presentation by Central Valley Water Board Staff

Ron Holcomb, Senior Engineering Geologist in the Fresno Office, presented the staff report and covered oilfield disposal ponds as follows:

- The numbers of facilities with ponds which have waste discharge requirements (WDRs), those that do not, and those with antiquated WDRs.
- Locations of facilities with ponds
- 13267 orders and waste characterization
- Cleanup and abatement orders

Ron Holcomb, Senior Engineering Geologist in the Fresno Office, also covered in his presentation, the General Orders (GO) as follows:

- Existing facilities, expanded facilities
- The three general orders: GO-1, GO-2, GO-3
- Wastewater limits for each order
- The GO application process
- GO Prohibitions
- GO Discharge specifications
- GO Solids specifications
- GO Provisions
- GO Monitoring and reporting
- GO Groundwater limits

Rebecca Asami, Staff Engineering Geologist in the Fresno Office, presented the staff report and on the Food Safety Expert Panel project as follows:

- Water District information
- The Food Safety Expert Panel
- The role of the Water Boards
- The goals of the project
- Updates regarding the project
- The Lyris list address
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Dale Harvey, Supervising Engineer in the Fresno Office, presented the staff report on Well Stimulation as follows:

- SB-4
- Changes in regulation as a result of SB-4
- DOGGR regulations
- State Board model criteria for groundwater monitoring
- Groundwater monitoring plan evaluation

Dale Harvey, Supervising Engineer in the Fresno Office, also talked about Underground Injection Control as follows:

- Oversight of USEPA
- DOGGR primacy
- USEPA, State Board, and DOGGR history with aquifers
- Well information, wells discharging into non-exempt aquifers, and waste disposal wells
- DOGGR shut in orders
- 13267 orders issued by the Board
- UIC Aquifer exemptions (applications submitted to DOGGR)
- Criteria for aquifer exemptions
- UIC Project Reviews (Approved by DOGGR)

Comments regarding the presentation from the Board

Regarding the General Orders: Dr. Longley discussed the reasoning behind the General Orders, the use of CV Salts and the Tulare Lake Basin Plan (and amendments). Mr. Constantino suggested that the term "solids" be defined.

Regarding the Food Safety Expert Panel, Dr. Longley suggested that the white paper be produced by the end of 2016, and that a fact sheet on the topic be produced as soon as possible. The suggested date was March 11, 2016. Dr. Longley also suggested that future meetings be setup in the Water Board's Rancho Cordova office, as it seemed to be convenient.

Summary of public comments:

Keith Nakatani, (Clean Water Action) said that he wants the Board to stop the use of ponds and using produced water for irrigation until it can be confirmed that the water is safe. Requests all pits without WDRs be shut down until we know that they are safe, states that the pits are contained to pollute. Wants Water Boards to produce a database chemicals used in oil production.

Theresa Mitchell, (Buds Oil Company), said that she would like to see cost added to orders. Adding cost to orders will help operators decide whether or not to keep ponds.

Denis Fox said that he would like to see a study that included dust control, and using the produced water as a fungicide. He is concerned about the lack of water in Bakersfield, and sewage going into the delta in the Sacramento region.

Jennifer Pitcher, (Western States Petroleum Association) requested certain changes be adopted in the orders. She brought up the use of the fracking language and the need to have it eliminated.

Will Rivera, (California Independent Petroleum Association) wants the Water Board to take more time in its permitting processes. He stated reporting to 20 agencies for oil producers. Funding is available from Proposition 1 to invest in various pilot studies. Studies need to be proposed to develop alternate treatment or disposal mechanisms for petroleum production wastewater. Process needs to be extended to provide more time.

Ben Newban, (Attorney)

Because cleaning water technology is available, he does not feel that monitoring is productive. Prop 1 money is available. He proposes purifying produced water instead of continuing with strict monitoring requirements.

Mark Magarky –(Hydrologist), thought that all sumps will fall into General Order 3, and wanted the Water Board to give assurances to dischargers that they would be able to demonstrate that ponds are not impacting groundwater quality.

Dr. Rosanna Esparza – (Public Health Professional) asked the Board about what is being done to include Public Health concerns in our discussions. Some oil field workers, which work with Underground Injection Wells, have come forward with concerns about how their work is affecting their health.

Amy Roth – (E&B Natural Resources) would like the General Orders and WDR's to accommodate with the possibility, in the future with production increases and discharges and not to set the discharge limits so close to present levels that it will force dischargers to apply for changes to WDR in order to increase the use of a pond. She objected to limits on increased flows to ponds and claimed that closing the ponds in months is not feasible.

Les Clark – (Represents Independent Oil Producers in Kern County) was concerned that SB4 is being worked on by both, the State Board and the Regional Board and Division of Oil, Gas, and Geothermal Resources. He said that this adds to confusion on behalf of the operators and a delay in the approval processes. He felt that the number of regulatory agencies involved in oilfield operations make the process confusing. Oil/Gas extraction wells that were stimulated in the 1950-70's should be allowed to discharge petroleum production wastewater to ponds. The third bullet item of the General Order needs to be removed. He would like to see a "Management Plan". He was concerned about fees on producers. He said that Hydrogeological investigations were very expensive. He said that some operators only produced 1.5 barrels of oil a day.

Dr. Tom Williams – (Citizen Coalition for a Safe Community) stated that there were no nets on some of the ponds that he had observed in Kern County. He said that he would like a "Discussion Draft" document created by the Board. He would like the Board to have a permitting process-as opposed to using Notices of Intent for coming under a General Order. He would like all Civil and Criminal penalties to be detailed. He further said that he would like sprayers included in forthcoming regulations

JL Kinder- (Origin Clear Technologies) said that his company has developed a technology that cleans produced water. He would like to submit this information to the Board. He has published a paper on the topic and presented information at the international water conference. He would like the Food Safety Panel to examine the paper. Dr. Longley suggested that Mr. Kinder seek 3rd party evaluations.

Mark Smith – said that he would like regulations to State. He asked by what time frame decisions would be made by the Board

Other Stakeholder Questions and Comments

- General Orders are too vague to protect water quality. Need to have individual orders or site specific orders.
- Wants to submit data to demonstrate water can be cleaned.
- Update website with information related to water quality, general orders, and program status.
- Needs to be a fee structure that supports petroleum production by smaller operators (producing 0 – 2 barrels a day).
- The Central Valley Water Board is one of approximately 24 agencies that oil producers have are regulated under and have potential fees.
- There needs to be more workshops or public discussions related to fees, regulations, and permitting requirements.
- The General Order needs to be delayed to allow more time for regulators to draft a general order and permits that are suitable for oil producers.
- There needs to be additional language for each of the general orders that provide more information as to which sites will qualify under each. The general orders appear to be vague and there is no indication of which order operators should apply to.
- The closure process needs to be granted more time to close the facility and consider the rainy season for extensions.
- The Central Valley Water Board needs to publish closure guidelines for petroleum production wastewater disposal ponds.

- Health concerns need to be assessed when using petroleum production wastewater for dust control, workers around petroleum products, and potential contaminants released in the air.
- A discussion order needs to be published within 2-3 months.
- Petroleum production wastewater ponds should have sprayers that increase evaporation and release volatiles from fluid.
- Representative from Origin Clear requested information for submitting data and technology for treated petroleum production wastewater for reuse.
- Wants his company's research to be submitted to the Food Safety panel.

Comments by Board Members

Jon Costantino- Board Member commented as follows:

- A list should be assembled of the number of operators that are anticipated to enroll under each General Order.
- Brought up the issue of proving the negative
- Thinks that the tiered approach is a good approach
- Declaring the negative for wells that have undergone stimulation is an interesting concept from a legal standpoint and needs to be addressed in the final General Order. Should wells stimulated in the past be grandfathered?
- There needs to be sufficient time between the release of the General Order and estimates of the costs provided to the public.

Clay Rodgers - Assistant Executive Officer (AEO) in the Fresno office, responded that staff will issue an Administrative DRAFT of the General Orders and that we are close to doing so.

Denise Kadara – Vice-Chair commented as follows:

- The protection of water quality and businesses need to be protected equally when drafting orders and pursuing enforcement.
- A discussion paper for each general order or the regulations may be something the Central Valley Water Board may need to pursue.
- Another workshop should be considered as the General Orders are closer to completion and are made available to the public. The information should be provided with an adequate time for the public to review the information and provide feedback to staff and Board Members.
- Protecting businesses is important but we have a duty to protect water Quality.
- The Water Board has and does allow input regarding public health.
- Also asked if we had sufficient staff for the current work load.

Clay Rodgers – (AEO) responded to this question, stating that there was sufficient staff at this time.

Pamela Creedon-Executive Officer

Made concluding remarks as follows:

- Spoke about data issues and the board's considerations in decision making.
- Board sets standards based on basin plans
- The Board can hold another workshop
- The Board will try to work with other agencies
- Agreed that a Discussion draft may be appropriate

The Board Workshop adjourned at 12:00 p.m. to the April 20-21 Board meeting in Fresno, California