

March 18, 2021

The Honorable Chair Luz Rivas
Assembly Natural Resources Committee
State Capitol Building, Rm 164
Sacramento, CA 95814

Re: AB 896 (Bennett) : Idle Gas and Oil Well Remediation - SUPPORT

Dear Assemblymember Rivas,

The undersigned organizations write to express our support for AB 896 by Assemblymember Steve Bennett. This bill would establish additional authority at the Geologic Energy Management Division (CalGEM) to remediate idle gas and oil wells while providing options for companies that choose to work with the State to resolve their unpaid fees.

As of 2019 the California Department of Conservation estimated that there were over 29,000 idle oil and gas wells in the state. A number of these wells have gone unused, and have not been cleaned or plugged (sealed with cement). If a well remains unplugged hydrocarbons continue to leak, posing a risk

to drinking water and surrounding communities. In addition to the direct harm to the local environment, one study found that, in Pennsylvania, orphan wells [were responsible for 4%-7% of manmade emissions, further contributing to greenhouse gas emissions.](#)

The number of wells located throughout the state poses a potential risk to communities throughout the state, but they can also result in increased costs to the state. When a well is orphaned the state is liable for plugging that well. Unfortunately, this cost is often placed on the state and the very communities already harmed by the well. A 2018 study by the California Council on Science & Technology estimated that the total cost to the State to plug all active and idle wells would be about \$9 billion.¹

As organizations committed to conservation and environmental protection, we appreciate the state's continued effort to transition away from oil and minimize fossil fuel production and consumption. However, we understand that there are concerns surrounding the impacts of this transition, including the possibility that oil and gas wells and infrastructure are simply deserted as the state continues to decrease its production. If this happens, taxpayers would become responsible for as much as \$498 million in remediation costs for every 10,000 oil wells since current bond levels are inadequate to cover the estimated costs of remediation, and local communities would be forced to bear the environmental and public health consequences of living with idle oil facilities until they are managed.

We know that orphaned wells are a risk to communities. AB 896 provides CalGEM with lien authority over non-compliant idle well operators. This gives the state a necessary tool to encourage compliance with existing law, allows the state a cost recovery mechanism when wells are orphaned, while allowing a straightforward path for operators to become compliant and remove a lien. For these reasons, we respectfully request your support for AB 896.

For these reasons, we are proud to support AB 896 and urge your 'aye' vote in committee.

Sincerely,

Pat Bakalian

Pat Bakalian
Coordinator
California Alliance of Nurses for Healthy Environment



Allis Druffel
Southern California Director
California Interfaith Power & Light




Susan Jordan
Executive Director
California Coastal Protection Network



Melissa Romero
Legislative Affairs Manager
California League of Conservation Voters

¹ <https://ccst.us/reports/orphan-wells-in-california/>



Jesus Alonso
Community Organizer
Clean Water Action



Ellie Cohen
Chief Executive Officer
The Climate Center



Omonigho Oiyemhonlan
Associate Attorney
Earthjustice



Linda Krop
Chief Counsel
Environmental Defense Center

Bill Allayaud
California Director of Government Affairs
Environmental Working Group



Jim Lindburg
Legislative Consultant
Friends Committee on Legislation of California



Lauren Cullum
Policy Advocate
Sierra Club California



Nicole Kemeny
President
350 Silicon Valley