State of California
Natural Resources Agency / Department of Conservation
GEOLOGIC ENERGY MANAGEMENT DIVISION

California Environmental Quality Act
Notice of Exemption

To: Office of Land Use and Climate Innovation
State Clearinghouse
1400 Tenth Street, Room 113
Sacramento, CA 95814

From: Department of Conservation
715 P Street, MS 1803
Sacramento, CA 95814
Contact: CEQA@conservation.ca.gov

Project Title: 695305_PG&E_UGS

Project Applicant: Pacific Gas and Electric Company (PG&E)

Project Location: San Joaquin County, McDonald Island Gas Field; 25/02N/04E/MD; 37.99493408, -121.47740936

Project Description: To meet current CalGEM requirements and remediate an integrity issue, PG&E (the operator) proposes to rework an existing gas storage well. The operator would remove the tubing string and assess the production casing. Based on the assessment, the operator will install a new cemented inner string or production liner as necessary. The operator will install new CalGEM compliant tubing and packer equipment and return the well to service. The operator will perform all work on an existing well pad, using existing roadways for access, and will not construct new facilities or expand existing facilities. The proposed work would restore the cement bond between 7" x 8 5/8" casing to satisfy CalGEM underground storage regulations and PG&E requirements.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving one permit for PG&E to rework the well listed below, in the McDonald Island Gas Field.

API #	Well Name
0407720169	Whiskey Slough 2-E

Exempt Status: As the Lead Agency, CalGEM has determined that the proposed project is exempt from full environmental review requirements of the California Environmental Quality Act (CEQA), pursuant to the specified exemptions marked in the section below. CalGEM further finds that the proposed project would not result in a significant adverse impact to the environment, or that any of the exceptions to the application of the exemptions apply (14 CCR § 15300.2).

	Exemption Type	Statute (PRC)	Regulation (14 CCR)	
☐	**Statutory Exemption:**			
	☐ Ongoing Project (*pre-CEQA approval on April 5, 1973*)	21169	15261 (b)	
	☐ Ministerial	21080 (b)(1)	15268	
	☐ Declared Emergency	21080 (b)(3)	15269 (a)	
	☐ Emergency Projects	21080 (b)(4)	15269 (b) or (c)	
☑	**Categorical Exemption:**	21084		
	☑ **Class 1**: Existing Facilities		15301	1684.1
	☑ **Class 2**: Replacement or Reconstruction		15302	
	☐ **Class 3**: New Construction/Conversion of Small Structures		15303	
	☑ **Class 4:** Minor Alterations to Land		15304	1684.2
	☑ **Class 7**: Protection of Natural Resources		15307	
	☑ **Class 8**: Protection of the Environment		15308	
	☐ **Class 11:** Accessory Structures		15311	
	☐ **Class 21**: Enforcement Actions to revoke a permit		15321	
	☐ **Class 30**: Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material)		15330	
	☐ **Class 33**: Small Habitat Restoration Projects		15333	
☐	**General Exemption** ("common sense")		15061 (b)(3)	
☐	**Not a "Project" subject to CEQA**		15378 (b)(2)	
	CEQA Exceptions to the Exemptions (14 CCR § 15300.2)**:** where project is located (e.g., sensitive environment); Cumulative Impact; Significant Effect due to Unusual Circumstances; Scenic Highways; Hazardous Waste Sites; Historical Resources.			

Reasons Why Project is Exempt: The basis for CalGEM's determination that the project is exempt from the requirements of CEQA is provided in the brief explanation below.

Class 1, Existing Facilities (14 CCR §§ 15301, 1684.1):
Class 1 consists of the "operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use beyond that existing previously." (14 CCR § 1684.1.) This includes "publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services." (14 CCR 15301(b).) The operator proposes to rework an existing gas storage well by installing a new cemented inner string or production liner as necessary and installing new CalGEM compliant tubing and packer equipment. This work would address an integrity issue in the well by restoring the cement bond between 7" x 8 5/8" casing. These are minor alterations to the facility to address an integrity issue and continue to provide public utility services. The well would remain a gas storage well with substantially the same capacity. Therefore, the

proposed project would not include modifications to the existing or former use of the well.

Class 2, Replacement or Reconstruction (14 CCR § 15302):
Class 2 consists of the "replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced[.]" (14 CCR § 15302). The operator would reconstruct the casing of an existing gas storage well by replacing and cementing tubing and packer equipment. This work would remediate an integrity issue in the well and would not change the purpose or capacity of the well. The proposed work would take place on an existing well pad.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2):
Class 4 consists of "drilling operations that result only in minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation." (14 CCR § 1684.2). The operator would make minor alterations to an existing gas storage well by replacing and cementing tubing and packer equipment. The work would take place on an existing well pad which is large enough to accommodate the necessary equipment and has existing access roads. The operator does not propose to construct new facilities or expand existing facilities. Therefore, the proposed project would not involve significant surface disturbance that would impact the surrounding environment.

Classes 7 and 8, Protection of Natural Resources and the Environment (14 CCR §§ 15307, 15308):
Classes 7 and 8 consist of "actions taken by regulatory agencies as authorized by state law or local ordinance" to assure the "enhancement of a natural resource" and the "protection of the environment" where the proposed work does not involve construction activities (14 CCR §§ 15307, 15308). The Operator would address an integrity issue in an existing gas storage well by restoring the cement bond between 7" x 8 5/8" casing, which would bring the well in compliance with CalGEM regulations. Therefore, this work would assure the protection of the environment. The operator does not propose any construction activities.

Exceptions to Exemptions: CalGEM further finds that there are no exceptions to the application of the categorical exemptions (PRC § 21084; 14 CCR § 15300.2) referenced above. For example, there is no substantial evidence that there are any "unusual circumstances" associated with the proposed project that create a reasonable possibility that the activity will have a significant effect on the environment, and that there are no significant "cumulative impacts" resulting from successive projects of the same type in the same place. Therefore, reliance on the exemptions is appropriate.

A copy of this NOE (as required by 14 CCR § 15062(a)) and all other related materials can be made available to the public by contacting the CalGEM CEQA Program, located at 715 P Street, MS 1803, Sacramento, CA 95814; by calling (916) 445-9686; or an electronic copy of these documents may be requested by contacting CEQA@conservation.ca.gov. The notice filed with the State Clearinghouse may be accessed online at: https://ceqanet.opr.ca.gov

Certified: Mikayla Vaba **Date:** 6/3/2025

Department of Conservation,
Geologic Energy Management Division