4.10 Mineral Resources

	Potentially Significant Impact	Less-Than-Significant With Mitigation Incorporated	Less-Than-Significant Impact	No Impact
Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☒	☐	☐
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?	☐	☐	☒	☐

ENVIRONMENTAL SETTING

Regional Setting

SCG operates and maintains the MGSF and four other gas storage facilities in the Los Angeles region, within a 40 mi radius. These facilities are capable of meeting all SCG current and anticipated future needs for the LA region. Therefore, the regional value of gas storage has declined in accordance with increasing available supply of storage and available transmission capacity to serve the regional demands.

Several new major power plant users of gas have entered the LA regional market as part of the restructuring of the electrical generation supply. SCG is capable of supplying these major users and local direct gas supply requirements with the currently operating storage facilities excluding that in Montebello.

The proposed Project's effects on mineral resources generally relate to the regional importance of long-term (3-6 months) gas storage in order to buy gas a times of surplus and lower prices and future use of stored gas at times of high demand and prices. The economic value of storage facilities relates to the future price differences and presumption that future prices differences would return to similar relative proportions as in the past, say annual spot highs being 1.5-2 times the lows.

Local Setting

The MGSF contains three or perhaps four mineral resources: subsurface gas and gas storage capacity, oil, groundwater from petroleum-related formations, and sands and gravels. The MGSF has used a unique mineral resource in the West Montebello Field, the capability to store high-pressure natural gas. Although not strictly a mineral resource in the sense of the natural gas and petroleum previously produced from the various zones in the field, the natural capacity of the deep Storage Zone to receive injected gas and return stored gas upon withdrawal is an important geological resource.

The Main Facility and East Site have generated fill materials and sand and aggregate in the past before SCG purchased the sites. The Main Facility is the site of an abandoned quarry pit for sand and aggregate that was probably used for urban development of Montebello south of Lincoln Ave. The MGSF or its lands, now, has little value as a local mineral resource. Most filling and urban development has been completed and demand for fill, sands, and aggregates has declined compared to that in the 1950s-60s.

REGULATORY SETTING

The DOGGR manages oil and gas resources in California and for the West Montebello Field. The Division of Mines and Geology has responsibilities for aggregate and sand mining in California. The Cities of Monterey Park and Montebello also have local responsibilities and authorities through land use permitting and zoning for both oil / gas production and quarries and mining operations.

The Office of Mine Reclamation enforces requirements for the Surface Mining and Recovery Act (SMARA) and regulates operating and abandoned mines and quarries either directly or through county and city agencies. The Main Facility site was a gravel quarry when SCG purchased the site in the mid 1950s. SCG has not conducted any quarry or mine operations at the Main Facility site since before 1960 and therefore SMARA has no authority over the existing site (OMR, C. Downey, December 2000).

The City of Montebello also has zoning jurisdiction through special use permits and overlays for oil / gas and for quarrying of sands and gravels. Currently SCG holds permits and lands are zoned for use as oil and gas operations but not for sand / gravel operations.

ENVIRONMENTAL IMPACTS

Only two categories of significant effects have generally been recognized for mineral resources and generally related to direct and indirect losses of mineral resources or access to mineral resources. These can be on a State, regional, or local level and are given equal importance.

Significance Criteria

Mineral resources represent generally non-renewable resources, although some mineral resources are replenished by natural processes: gravel operations in the alluvial cones of major watersheds and sand mining in presence of major currents carrying large amounts of sediment. Primary significance for mineral resources therefore relates to the continuing supply of limited or replenished resources either important to the State's or regional developments or to specific local developments. These resources when of sufficient importance may be managed through local or regional agencies and long-term planning efforts and designations in County or City plans.

California does not have a significant energy and related resources plan for the State or major regions, similar to those for air, water, and special-status wildlife and vegetation. Management systems are in place for oil and gas production through DOGGR and for quarries through the OMR. These agencies, however, do not conduct long-term planning and control systems to assure provision and managed availability for a 20-year period, the common planning period for land uses.

If an existing sustainable mineral resource is lost or totally depleted, this would be a loss of regional significance to the Los Angeles region. Losses of fill and sand / gravel sources by urban encroachment and regulatory prohibitions in the LA region have caused considerable relocation of sources and increased expense and environmental effects related to development of new sources.

The City of Montebello has no designated quarry areas in the MGSF vicinity or the adjacent Montebello Field to the east. Both the MGSF and Montebello Field are approved for oil and gas operations. Closure of the West Montebello Field operations of the SCG can be considered in opposition to the RAO zoning (including Oil / Gas Overlay) of the East Site of the MGSF.

Impacts of MGSF Decommissioning

Effects on mineral resources from the proposed Project largely focus on regional reduction of gas storage capacity. Effects of alternative developments would be expected to result in similar if not identical effects but perhaps over a long period of time. Only a "No Project" alternative would retain the storage capability of the West Montebello Field.

Gas Recovery and Decommissioning

Checklist Question a) SCG has determined that the MGSF is no longer needed for their system. The loss of the gas storage capability of the Storage Zone beneath Montebello could be potentially significant on a regional or state-wide level if other gas storage fields are closed during the decommissioning or prior to final closure of the Montebello field after final degassing. Because the MGSF is the only remaining storage field in this area of the LA region with moderate capacity, the loss may be considered a potential cumulatively significant impact.

Checklist Question b) The MGSF is not delineated as a recovery site on any local general plan, specific plan, or other land use plan, therefore there is no impact.

Future Development

Checklist Question a) and b) Local values of the MGSF and its surface lands have declined based on intensive land use development on their perimeters, current requirements for the OII Landfill, and potential presence of special status species in the East Site. The development of the MGSF lands after decommissioning would not result in a significant effect on mineral resources.

MITIGATION MEASURES

Oil and the gas storage capability represent potentially valuable mineral or mineral-related sources that may be adversely affected (lost) during and after decommissioning. Oil, gas, and storage are considered as economic resources and rights thereto are commonly sold.

Mitigation 4.10-1

Checklist Question a) Changes in groundwater, oils, and gas shall be monitored and recorded by SCG so as to provide a database for future mineral-related activities in the area after decommissioning.

Before and during decommissioning, storage movements shall be documented in order to provide information for potential future uses of the storage zone.

Prior to final abandonment (at the end of the blowdown), SCG shall review and evaluate the potential for water flooding or other suitable gas or liquid injections of the storage zone and report on the technical and financial feasibility of such operations in conjunction with the degassing to the CPUC. This shall include the potential future recovery of the storage zone and impact on the proposed activities and degassing-decommissioning schedule and values.