Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR’s Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR’s website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date  
2022-09-06

2. Department  
Department of Conservation

3. Organizational Placement (Division/Branch/Office Name)  
Geologic Energy Management Division

4. CEA Position Title  
Well Abandonment Program Manager

5. Summary of proposed position description and how it relates to the program’s mission or purpose.  
(2-3 sentences)

This position is responsible for making executive-level decisions on behalf of the State Oil and Gas Supervisor in the Geologic Energy Management Division (CalGEM) on the following: ensuring CalGEM properly categorizes abandoned and orphaned wells for remediation; ensuring state regulations are followed to properly notice potential owner/operators of said wells; maintains a database of all potential abandoned and orphaned wells and their status; sets and enforces prioritization of abandoned and orphaned wells for remediation; develops contracts and ensures they meet state and federal compliance; audit contracts for compliance of state and federal requirements; work with state, federal, and local government entities; engage stakeholder groups; present on various programmatic issues; and manage a multi-million dollar budget to properly plug and abandon wells and attendant facilities. This position receives delegated authority from the Chief Deputy of Programs and the State Oil and Gas Supervisor to carry out the mandates of the program and often exercises discretion in carrying out the laws and regulations of the Division. This position also ensures that the State Oil and Gas Supervisor and the Director of the Department of Conservation have a wide-range of scientific input in making decisions that affect oil, gas, and geothermal operations, as well as decisions that protect public health and the environment.

6. Reports to: (Class Title/Level)  
CEA B Level - Chief Deputy of Programs

7. Relationship with Department Director (Select one)  

☐ Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.

☑ Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain): The CEA is a high-level decision maker and works directly with the CalGEM Executive Management Team and the Department Executive Management Team.

8. Organizational Level (Select one)  

☐ 1st  ☐ 2nd  ☑ 3rd  ☐ 4th  ☐ 5th (mega departments only - 17,001+ allocated positions)
9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The Department’s Geologic Energy Management Division (Division) oversees the drilling, operation, maintenance, and plugging and abandonment of oil, natural gas, and geothermal wells, as well as the operation, maintenance, and abandonment of oil and gas production facilities.

The CEA position operates as the Program Manager of the Well Abandonment Program. The position has the delegated responsibility from the Chief Deputy of Programs and the State Oil and Gas Supervisor to gather data and information of a scientific and engineering nature, implement and enforce laws and regulations of the State, and analyze complex operations and incidents which may pose a threat to the environment or health and safety in order to better serve the public. The CEA oversees the state’s multi-million dollar, multi-year program investing state and federal money into the abandonment and remediation of orphan wells, which pose threats to climate, water quality, and public health and safety. The CEA will make policy decisions regarding the use of state and federal funds and lead community and local government engagement and collaboration. The CEA oversees a team to develop, organize, direct, and implement the activities of the division’s statewide orphan well abandonment program to minimize risks to the public and environment posed by orphan wells, and to bring these benefits to communities across the state, including disadvantaged communities. The CEA independently, or in collaboration with others, directs thorough analysis of abandoned and orphaned wells and facilities as well as directs the preparation of notices and orders in compliance with statutes and regulations.

The Division receives funding from industry on an annual basis to perform plug and abandonment of oil and gas wells. In addition, the Division will receive multi-millions of funding through the federal government in the next 8-10 years to address this issue. Furthermore, the State has appropriated an additional $50 million in each of the next two fiscal years to further address this issue. This amount of funding is exponentially larger than anything the Division has received and will require a high-level executive to run a program that will aim to address the over 5,300 abandoned or orphaned wells in the state. On average, the Division has plugged approximately 11 well per year and this number will increase by a large multiplier requiring a dedicated executive to oversee operations in the Program. The CEA also regularly interfaces with the Executive Team in the Division, Director and Chief Deputy Director of the Department of Conservation, the Assistant Secretary for Energy, CNRA, members of the legislature and the public.
10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.

- Program is indirectly related to department's primary mission.

- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

**Description:** This is a critical position to the success of the Department is standing up a multi-million, multi-year program aimed at starting to eliminate risks to the public and environment posed by orphan wells, and to bring benefits to communities across the state, including disadvantaged communities. The state has an inventory of over ~5,300 abandoned or orphaned wells that have no responsible financial operator. These wells go back decades, and many were plugged improperly leading to leakage of fluids and/or methane causing environmental harm. With the infusion of $165M from the federal government, $100M from the General Fund, and up to $12.5M annually from the oil and gas industry, the Division must stand up a new program aimed at prioritizing and remediation of orphan wells across the state in a way that balances objectives and community needs, engages local governments and the public, coordinates with sibling agencies with remediation responsibilities, and in a rigorous way to avoid fraud, waste and abuse. The manager will need to work with internal programs, the district field offices, departmental staff, other state agencies, local governments, the federal government, and various stakeholder groups. The coordination internally and externally will be important to ensuring success.

It is critical that the Division manage the proper and safe plugging and abandoning of wells and attendant facilities in such a way to ensure and promote this. This position would provide executive level leadership and expertise to these vital programs to carry out that role.
11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

Currently, there is no Abandoned Wells Program and due to the small amount of funding, the work is being done by staff as part of their workload, but not a complete position allocation. Due to the large increase in funding, from approximately $5 million per year to potentially up to $500 million in the next 8 to 10 years, the Division is establishing a Program with a dedicated leader and staff to implement the Program and properly spend the funds. In addition, the requirements placed on the funding is changing to include public works/prevailing wage as a requirement and additional federal funding requirements. All of these requirements are new and will need to be developed and audited to meet state and federal requirements. Furthermore, the State is implementing a prioritization of wells and attendant facilities to plug and abandon to address those near sensitive receptors or those that may harm the water supply, agriculture lands, or the environment in general.
C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The CEA will serve as primary advisor and lead on the Division's State Abandonment Program. In doing so, the CEA will have to develop and make policy recommendations on key areas. Examples include:

- The Federal government's Justice 40 Initiative establishes a goal for 40% of federal funding to be spent to benefit disadvantaged communities, including federal funds made available through the Bipartisan Infrastructure Law. The CEA will need to establish policy direction for the well abandonment program to align with this federal policy and state policies as well.

- Senate Bill 1295, which is expected to be signed the Governor, establishes prevailing wage requirements for state abandonment work and remediation and requires the development of apprenticeship programs and requires for Project Labor Agreements. The CEA will need to help implement these policies in contracting.

- California has ambitious greenhouse gas reduction targets set in law, and several programs aimed at reducing methane—a potent greenhouse gas. The CEA will need to make policy decisions around how best to prioritize wells for abandonment in order to reduce potential sources of methane.

- Expending state and federal funds in a way that optimizing benefits will require prioritizing state abandonment expenditures. The CEA will need to develop policies around how to equitably expend the money across the state, taking into account community needs, practical limitations and efficiencies of scale.
C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The CEA position's scope is broad and implements Division statutes and regulations, makes discretionary decisions on behalf of the State, the Chief Deputy of Programs and the State Oil and Gas Supervisor, to prevent damage to life, health, and property as well as natural resources. The CEA’s authority is statewide, and the CEA is a high-level decision maker and works directly with the Division Executive Team and the Department Executive Team including the Director and the Chief Deputy Director of the Department. For the State to meet the challenge of successfully remediating abandoned well sites, the CEA will create consistent processes and practices statewide to implement various policy objectives. The CEA will direct the activities of staff and work closely with the Chief Deputy of Programs, the Chief Deputy of Field Operations, and three District Deputies and all their professional and support staff. The CEA will regularly communicate with the highest-level officials in the division and department, including the State Oil and Gas Supervisor and the Chief Deputy of Programs for the Division, the Director, and Chief Deputy Director of the Department of Conservation, as well as top officials of other federal, state, and local governments, and elected officials.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA will be instrumental in not only developing but also implementing new policy as it relates to the Well Abandonment Program. They will also be tasked with implementing and enforcing current policy statewide. Most of the new policies/regulations and proposed policies/regulations have a direct impact on this position as they are mostly built the successful remediation of abandoned wells and their attendant facilities that falls under the proposed CEA. The CEA will solicit input from field staff and work with program staff to develop solutions for the remediation process and then will be solely charged with implementing policy consistently statewide.