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February 12, 2026

The Honorable John Harabedian
Chair, Joint Legislative Audit Committee
1020 N Street, Room 107
Sacramento, CA 95814

The Honorable Christopher Cabaldon
Vice Chair, Joint Legislative Audit Committee
1021 O St., Room 7320
Sacramento, CA 95814

Subject: Request for Audit of the California Geologic Energy Management Division (CalGEM) – Administration of the Underground Injection Control (UIC) Program

Dear Chair Harabedian and Vice Chair Cabaldon:

I am writing to request an audit of the California Geologic Energy Management Division (CalGEM) within the Department of Conservation. The focus should be CalGEM's administration of the **Underground Injection Control (UIC) program** for Class II injection wells, including project review timelines, resource allocation, interagency coordination, and overall efficiency.

This audit is critical to assess how chronic delays in UIC approvals impact in-state oil and gas production, refinery viability, fuel supply chains, and broader state and national security interests.

Feedback from operators as well as data from the WellSTAR Statewide Tracking and Reporting System and the Water Board Geotracker System illustrates that only 62 UIC projects have been approved since January 1, 2017 (only 21 since 2020), while 59 projects remain under agency review (not tied to aquifer exemptions) and 2 are on hold pending exemptions. Lack of UIC approval can create serious operational and economic challenges impacting **1,096 injection wells** and **4,433 production wells** statewide—many in Kern County fields like Midway-Sunset, Kern Front, and Poso Creek. Delays often exceed 40–80 months, with at least 57 new projects submitted and under review as of August 2025.

These backlogs exacerbate declining production and catastrophic impacts of refinery closures, with Phillips 66 and Valero closures alone reducing gasoline supply by 6.2–9.33 million gallons/day and jet fuel by 600,000 gallons/day.

The scope should include (but is not limited to) the following questions:

1. To what extent is CalGEM in compliance with its statutory mandates (e.g., Public Resources Code §§ 3224–3227 on operational oversight and enforcement; SB 1493 [2018] annual UIC reporting requirements) and federal primacy obligations under the Safe Drinking Water Act (delegated by the U.S. EPA)? Does current performance meet efficiency expectations or risk primacy challenges?
2. What are the primary root causes of delays in UIC project approvals, and what are the measurable effects of these delays on operators, groundwater protection, production levels, and economic outcomes?
3. To what degree do current UIC processes align with the legislative intent of SB 4 (2013) reforms—balancing groundwater safeguards with operational viability—and what specific efficiencies (e.g., enforceable timelines with good-cause extensions, streamlined interagency processes, categorical CEQA exemptions for low-risk projects, digital tools, or fast-track lanes) could accelerate approvals while maintaining safety standards?
4. How do CalGEM's UIC review times, backlog size, and staffing ratios compare to those in other EPA-delegated primacy states (e.g., Texas, Oklahoma) or direct federal UIC programs, and what best practices from these benchmarks could be adopted to reduce processing times?
5. What is the current resource allocation and workload distribution within CalGEM for UIC permitting?
6. To what extent has CalGEM implemented prior audit recommendations related to UIC (e.g., from EPA oversight [2011 audit, 2015 Corrective Action Plan], 2020 Department of Finance audit findings on UIC issues, and SB 1493 reports), and why do persistent delays continue despite existing metrics and reporting?
7. How do interagency processes, including Water Boards concurrence delays and CEQA integration, contribute to overall timelines? What could prevent chronic bottlenecks and expedite approvals?

Thank you for your consideration of this request. Should you have any questions, please contact me directly or my Chief of Staff, Christina Nelson at christina.nelson@asm.ca.gov or 916-319-2032.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stan Ellis', with a stylized, cursive script.

STAN ELLIS
Assemblymember, 32nd District
California State Assembly