

ALISO CANYON NATURAL GAS STORAGE FACILITY STATUS UPDATE



Updated on August 22, 2016

DELIVERING ON OUR COMMITMENTS

- Over 57,000 reimbursements processed
- \$108.7 million paid in reimbursements
- Over 38,000 CRC visits facilitated
- Over 8,300 households participated in the Temporary Relocation Program
- More than 38,000 air filtration systems installed in 10,500 homes, 60 schools, and 160 businesses
- 6,340 air samples collected
- Approximately 1,500 homes received interior home cleaning
- Over 1,200 homes received exterior cleaning
- Approximately 1,000 vehicles received exterior cleaning

ENERGY RELIABILITY

- The Aliso Canyon storage facility (Aliso Canyon) is critical to regional energy reliability during the summer and winter months. In addition to serving residential and commercial customers, it also fuels gas-fired power plants that are needed to meet regional electric demand during peak periods.
- About 60 percent of the electricity generated in California comes from power plants that run on natural gas, and during the summer that figure increases to about 75 percent.
- In April, the California Energy Commission, California Public Utilities Commission (CPUC), the California Independent System Operator (CAISO) and the Los Angeles Department of Water and Power collaborated to develop a technical assessment of the energy impacts from the current gas supply limitations of our Aliso Canyon facility that suggested there could be as many as 14 days this summer where natural gas curtailments might result in electricity service interruptions to millions of customers.

- Careful coordination among California's energy providers, the California ISO, Los Angeles Department of Water and Power (LADWP), and consumer energy conservation have all played a role in preventing disruptions to our region's energy systems so far this summer.
- However, we must also turn our focus to the winter when peak demands for natural gas are highest. The fact is that withdrawals from Aliso Canyon played a key role in meeting customer demand this past winter. Without Aliso Canyon, SoCalGas' ability to meet demand is reduced, increasing the risk of natural gas curtailments for an entire region, potentially affecting electric generators, hospitals, large manufacturers, refineries, and other large users.
- In preparation, SoCalGas® is providing technical support to a Joint Agency Team, similar to the summer technical assessment group, to determine potential issues in meeting winter gas demands.
- SoCalGas is working to restore injection and normal operations at Aliso Canyon, in compliance with all new regulations. We are working toward being able to begin injections at Aliso Canyon by late summer to prepare for the winter.

BASIC STATISTICS

Property Name:	Aliso Canyon Storage Facility
Land:	~ 3,600 acres
# Storage Wells:	114 gas storage wells
Capacity:	86 billion cubic feet (Bcf) - 5th largest in the U.S.
Current Inventory:	15 Bcf

WELL INSPECTION UPDATE

- Well inspections at Aliso Canyon continue, in compliance with the Division of Oil, Gas, and Geothermal Resources' (DOGGR) Order 1109 and as required by SB 380.
- Test results are submitted by SoCalGas, reviewed by DOGGR staff, and then posted on DOGGR's website the first and third Friday of every month. As of Friday, August 19, 2016:
 - **114 (or 100 percent) of the active wells at Aliso Canyon have completed the first phase of inspections as required by new regulations;**
 - **96 of those wells (or 84 percent) have moved on to the second phase of testing;**
 - **21 wells have completed all of the required tests, and 18 wells have received final DOGGR approval.**
- Many wells have been temporarily plugged and isolated from the gas reservoir until phase two testing can be complete. This is a step that is required by DOGGR and does not mean the wells are unsafe or will not pass future inspections.
- SoCalGas is using several safety enhancements and tools to monitor field operations, including daily and weekly safety and equipment checks, daily infrared video scanning, and continuous pressure monitoring. We invite you to watch (and ask you to share) our NEW [Safety Enhancements Video](#) to learn about the additional enhancements and tools being used to monitor field operations at Aliso Canyon.
- Additionally, in compliance with DOGGR regulations, gas will only flow through the inner tubing of the wells when operations resume, creating an additional layer of protection within the wells.

- SoCalGas implemented an Air Quality Notification Plan (PLAN) that allows members of the community to sign-up to receive real-time notifications in the event of a reportable release of air contaminants at Aliso Canyon has also been put in place.
- We remain committed to supporting forward-looking regulatory policies for natural gas storage facilities and continue our efforts to deliver reliable energy to Southern California.

ENERGY CONSERVATION CAMPAIGN TO DATE

- In addition to our operational activities that support regional energy reliability, SoCalGas is promoting energy conservation through a joint coalition of southern California natural gas and electric utilities and in partnership with the California Public Utilities Commission (CPUC), California Independent System Operator (CAISO), and local city governments.
- The conservation campaign features a website in both English and Spanish at ConserveEnergySoCal.com, as well as social media and advertising that offer tips and education to help customers conserve natural gas and electricity.
- Our efforts to encourage conservation are paying off. In the month of July alone, more than 1,100 people signed up for Flex Alert notifications, and, according to CAISO, the region's Flex Alert, conservation, and demand response actions reduced 1,000 megawatts of electricity demand during July's heat wave on July 27-28, 2016.

For more information, please visit socialgas.com (search "ALISO CANYON").

REFERENCE TOOLS

SOCALGAS.COM

<https://www.socialgas.com/smart-energy/benefits-of-natural-gas>
<https://www.socialgas.com/smart-energy/reliable-natural-gas-for-the-future>
<https://www.alisoupdates.com/main>
<https://envoy.sempra.com/>

EXTERNAL RESOURCES

Conserve Energy SoCal:
<http://conserveenergysocal.com/>

DOGGR Well Inspection Test Results:

<http://www.conservation.ca.gov/dog/AlisoCanyon/Pages/Well-Detail.aspx>

CaISO Aliso Canyon Action Plan to Preserve Gas and Electric Reliability:

http://www.energy.ca.gov/2016_energypolicy/documents/2016-04-08_joint_agency_workshop/Aliso_Canyon_Action_Plan_to_Preserve_Gas_and_Electric_Reliability_for_the_Los_Angeles_Basin.pdf

VIDEOS

Importance of Aliso Canyon: https://www.youtube.com/watch?v=_037TQTd6E8

Well Inspection Video: <https://www.youtube.com/watch?v=mTRIZkWD3VE>

Safety Enhancements Video: <https://www.youtube.com/watch?v=QoWMoPd4vii>