



California Energy Commission

Natural Gas Activity

**San Bruno Town Hall Meeting on
Natural Gas Infrastructure Integrity and Vulnerability
with
Assembly Member Jerry Hill**

December 7, 2010
Robert B. Weisenmiller,
Energy Commissioner

California Energy Commission

Natural Gas Activity



- Power plant siting and permitting
- Public Interest Energy Research (PIER)
- Natural gas planning and system reliability assessment

Energy Commission Power Plant Siting and Permitting



- Energy Commission has permitting jurisdiction over large thermal power plants with a capacity of at least 50 megawatts
 - Permitting includes any natural gas pipelines related to proposed power plant up to first connection point with the existing gas delivery system
 - Siting and permitting process focuses on safety, reliability, adequacy of gas distribution system, environmental impact assessment
 - Compliance with Conditions of Certification for lifetime of power plant and related pipelines

Energy Commission Power Plant Siting and Permitting



- Energy Commission holds public informational hearings and staff workshops in community where each power plant is proposed
- For the power plants proposed in Northern California, PG&E staff has been asked to attend the Commission's community informational hearings in case of public questions on the related gas pipelines

Proposed natural gas power plant projects under active Energy Commission review



- BP Watson - Los Angeles Co.
- Palmdale - Los Angeles Co.
- Carlsbad – San Diego Co.
- Mariposa - Alameda Co.
- Oakley - Contra Costa Co.
- CPV Vaca Station - Solano Co.

The Energy Commission will work with PG&E to determine if any of these power plants would connect to one of PG&E's pipeline segments warranting near term safety inspection.

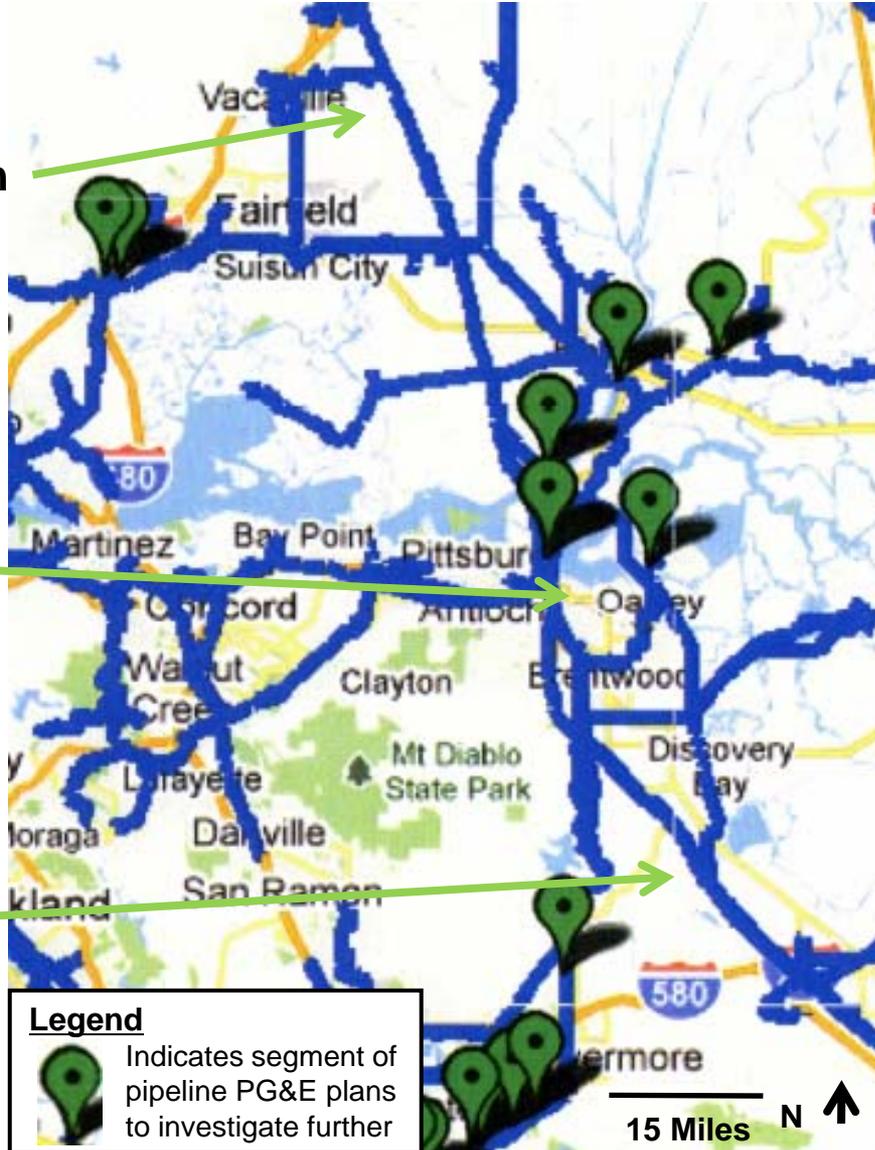
Proposed Natural Gas Power Plant Projects in Bay Area and Proximity to Existing Gas Pipelines



CPV Vaca Station

Oakley

Mariposa



Legend



Indicates segment of pipeline PG&E plans to investigate further

Source: PG&E website:

<http://www.pge.com/myhome/customerservice/response/planninginput/>

Public Interest Energy Research (PIER)



- PIER natural gas research funding
 - \$24 million (allocated by California Public Utilities Commission annually)
 - Over the last 5 years PIER has allocated \$114 M to natural gas research projects. First year funding started at \$12 M and has increased by \$3 M annually and capped at \$24M.
- Current PIER natural gas research objectives
 - Improve natural gas system safety, performance and reliability
 - Reduce environmental footprint of California's natural gas system
 - Improve industrial, commercial food service, and residential energy efficiency
 - Accelerate adoption of clean alternatives to conventional natural gas resources and technologies

PIER pipeline reliability and safety research



- Energy Commission is working with the California Public Utilities Commission to identify top research priorities:
- Research Possibilities:
 - Evaluate structural integrity and performance of buried natural gas lines using sensors and communication technologies
 - Extend serviceability and safe life of the natural gas transmission and distribution network
 - Develop a strategic view of how the smart grid will impact the natural gas infrastructure
 - Identification and integration of opportunities between CA natural gas systems and smart grid technologies
 - Lessen the impacts of natural gas system components such as pipelines and compressor stations on the environment

Natural Gas Planning and System Reliability Assessment



- Periodically confirming system adequacy to serve all residential, commercial, institutional, industrial demand for gas and power plant fuel needs
- Integrating renewable generation facilities into CA energy system and assessing implications for gas demand
- Assuring access to diverse range of supply sources
- Addressing need for new gas facilities given daily up and down operations of CA power plants
- Encouraging greater openness to discuss gas system vulnerabilities and operational reliability issues
- Supporting more independent evaluation of facilities' readiness and replacement options
- All energy parties involved with natural gas are working cooperatively
 - Natural Gas Working Group meets quarterly
 - State of CA energy agencies, gas utilities, and pipeline companies

Thank You



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