



NEWS RELEASE



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Agencies Release Energy Assessment for Southern California, Express Concern About Existing Pipeline Outages

State and local agencies today released an assessment of the energy reliability for Southern California this winter and expressed concern about the ability of the local utility to meet customer demand and calling for conservation.

The energy agencies' [risk assessment](#) found the region faces new challenges and greater uncertainty than a year ago because of three natural gas transmission pipelines that the Southern California Gas Company (SoCalGas) relies on to serve customers are out of operation. One pipeline ruptured in October and simultaneously damaged a second nearby line.

The California Energy Commission, California Public Utilities Commission, California Independent System Operator, and the Los Angeles Department of Water and Power (LADWP) completed the assessment. This is the fourth assessment since the Aliso Canyon natural gas storage facility had one of the nation's worst gas leaks in 2015. In July 2017, the state determined the facility was safe to operate and could reopen at a greatly reduced capacity in order to protect public safety.

"Southern Californians have played a role in timely reducing energy use in past peak-demand seasons," said Energy Commission Chair Robert Weisenmiller during a teleconference with reporters. "Southern Californians will be called upon again to turn down thermostats and conserve both electricity and natural gas at a rate greater than a year ago."

President Michael Picker of the California Public Utilities Commission added, "While implementing several mitigation measures, including using gas at the Aliso Canyon storage field, it remains unclear that such actions will be sufficient to avoid gas service curtailments to noncore customers in Southern California if there is a colder than normal winter this year."

Noncore customers are large commercial customers, some of which burn natural gas to produce electricity. Core customers are the owners of residential homes and small businesses.

To ensure public safety and reduce the threat of climate change from burning fossil fuels, Governor Edmund G. Brown Jr. has asked the Energy Commission to plan for the permanent closure of the Aliso Canyon facility. The Energy Commission has recommended to the CPUC that the facility be closed within the next 10 years.

The energy agencies have implemented dozens of mitigation measures to reduce risk.

Additional mitigation measures are under consideration, including greater outreach to encourage gas conservation by core customers and expanding programs that use smart thermostats for demand response. Earlier this month, the CPUC asked SoCalGas to develop a program to begin in December to allow dispatching the thousands of smart thermostats that are already in place in the SoCalGas service area.

Other actions under consideration include an emergency moratorium on new natural gas service connections in the areas of Los Angeles County that the Aliso Canyon storage field serves. Another proposed measure would direct electricity generators to more frequently shift generation to facilities located outside the SoCalGas system to reduce gas use in December. This could allow SoCalGas to preserve storage inventories deeper into the winter. This is possible because LADWP has delayed electrical transmission work that provides access to power sources outside the region. Another proposal calls for slightly increasing the volume of gas that can be stored at Aliso Canyon in order to maintain energy reliability in the region.

Of the three natural gas transmission pipelines out of operation, SoCalGas estimates one will return to service December 31, 2017.

Energy leaders said the situation this winter will require constant monitoring and communication. The Energy Commission and CPUC have been watching natural gas prices carefully for price spikes. Staff at both agencies is monitoring daily operations, including storage inventories and receipt point deliveries, and conferring with SoCalGas frequently. The California Office of Emergency Services and the state Legislature have been briefed. Updates to the public, including requests for additional conservation on high demand days, will be made as needed.

The assessment is available at www.energy.ca.gov and www.cpuc.ca.gov/savegas.

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The California Energy Commission is the state's primary energy policy and planning agency. The agency was established by the California Legislature through the Warren-Alquist Act in 1974. It has [seven core responsibilities](#): advancing state energy policy, encouraging energy efficiency, certifying thermal power plants, investing in energy innovation, developing renewable energy, transforming transportation, and preparing for energy emergencies.

The California Public Utilities Commission (CPUC) regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies. The CPUC serves the public interest by protecting consumers and ensuring the provision of safe, reliable utility service and infrastructure at reasonable rates, with a commitment to environmental enhancement and a healthy California economy.