

**CALIFORNIA PUBLIC UTILITIES COMMISSION**

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**CALIFORNIA ENERGY COMMISSION**

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December 4, 2017

Supervisor Kathryn Barger
Los Angeles County Board of Supervisors (5th District)
Kenneth Hahn Hall of Administration
500 W. Temple St., Room 358
Los Angeles, CA 90012

Dear Supervisor Barger:

On November 28, 2017, the California Public Utilities Commission (CPUC), in conjunction with the California Energy Commission, California Independent System Operator, and the Los Angeles Department of Water and Power, released the Aliso Canyon Winter Risk Assessment Technical Report 2017-18 Supplement. The assessment found that the unplanned outages of three critical natural gas pipelines have raised significant concerns that Southern California Gas Company (SoCalGas) will be unable to meet natural gas demand during peak winter conditions in December 2017 and January 2018.

As you are aware, three pipelines that provide almost half of all import capacity into the Los Angeles region are currently out of service. With the exception of Line 4000, it is unlikely these lines will return to service before spring 2018, further constraining gas service to this region during peak winter months. Although several mitigation measures have been implemented, including using gas from the Aliso Canyon storage field and expanding programs to deploy more smart thermostats that reduce demand, it remains unclear that the actions to date will be sufficient to avoid gas service disruption to noncore customers in Southern California in the event of a colder than normal winter.

The Los Angeles County has made it clear that it does not support the continued operation of Aliso Canyon. However, on the same note, the Los Angeles County has also failed to step up on behalf of its constituents and provide an alternative that would ensure they could still heat their homes in the winter and conduct other necessary household functions.

Consequently, we are writing to recommend that Los Angeles County strongly consider and adopt an interim moratorium on new connections for gas service in areas of the Los Angeles County served by Aliso Canyon. By enacting a moratorium on new connections, the Los Angeles County would alleviate any increase in demand for natural gas by residential, commercial, and industrial customers to avoid further curtailments to existing customers. The Los Angeles

Supervisor Kathryn Barger

Page 2

December 4, 2017

County should further consider other long-term options, such as requiring the use of heat pumps, geothermal, or other heating options for newly constructed homes in the affected area.

The CPUC will continue to monitor the situation for the upcoming winter and work with SoCalGas to provide safe and reliable service to customers. We appreciate the Los Angeles County's cooperation in this matter.

Sincerely,



Michael Picker
President
California Public Utilities Commission



Robert B. Weisenmiller
Chair
California Energy Commission

cc: Supervisor Hilda Solis, Los Angeles County Board of Supervisors (1st District)
Supervisor Mark Ridley-Thomas, Los Angeles County Board of Supervisors (2nd District)
Supervisor Sheila Kuehl, Los Angeles County Board of Supervisors (3rd District)
Supervisor Janice Hahn, Los Angeles County Board of Supervisors (4th District)
Saul Gomez, California Governor's Office
Drew Bohan, California Energy Commission
Edward Randolph, California Public Utilities Commission
Ken Harris, Division of Oil, Gas & Geothermal Resources
Stephen Berberich, California Independent System Operator
David Wright, Los Angeles Department of Water and Power
Patricia Hoffman, U.S. Department of Energy