

CURRENT STATE OF ALISO



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.
- We have known that not having Aliso Canyon available this summer could present challenges and possible energy disruptions for the electric grid in Los Angeles and parts of Orange County—and we prepared.
- We continue to work closely with the California Independent System Operator (CAISO), other agencies, and our electric generation customers to monitor supply and adjust operations as needed to optimize reliability throughout the summer months.
- 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.
- The California Public Utilities Commission (CPUC) has authorized SoCalGas, under certain criteria, to use Aliso to meet reliability needs by withdrawing natural gas from certain wells at the facility.

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.
- The multi-stage well testing, combined with the ongoing monitoring, provide a technically sound approach to assess the integrity of all wells at the facility. Test results are submitted by SoCalGas, reviewed by DOGGR staff, and then posted bi-weekly. As of Friday, July 15, 2016:
 - **114 (or 100 percent) of the active wells at Aliso Canyon have completed Phase One inspections;**
 - **93 of those wells (or 82 percent) have moved on to Phase Two testing;**
 - **18 wells have completed all of the required tests, and 15 wells have received final DOGGR approval.**
- At the start of the inspection process, we prioritize wells based on their ability to meet the new DOGGR requirements of tubing-flow only and to provide the highest possible flow capability to support summer and winter reliability needs.

- As part of the DOGGR Order 1109 requirements, wells that do not complete the Phase Two testing prior to SoCalGas resuming injections are being plugged and isolated from the gas reservoir until further testing can be completed. This does not mean that isolated wells are unsafe or will not pass future inspections. Phase Two inspections of those wells will continue, as required by DOGGR's Order 1109.
- SoCalGas recently released a well inspection video that demonstrates the required testing for each of the storage wells to help the public better understand the inspection process.
- We continue to use several tools for field operations, including daily infrared video scanning and continuous pressure monitoring to detect possible leaks.
- SoCalGas has and will continue to support reasonable, forward-looking, regulatory policies as set forth by our regulators and lawmakers at the state and federal levels of government.

ENERGY CONSERVATION

- 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 gas and electricity.
- Our efforts to encourage conservation are already paying off. In the month of June alone, more than 2,000 people signed up for Flex Alert notifications, a 16 percent increase over the prior year's sign-ups. And, according to CAISO, the region's Flex Alert, conservation, and demand response actions during June's heat wave reduced 1,100 megawatts of electricity demand.

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

REFERENCE TOOLS

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

External Resources: <http://conserveenergysocal.com/>
 DOGGR Well Inspection Test Results:
<http://www.conservation.ca.gov/dog/AlisoCanyon/Pages/Well-Detail.aspx>
 CalSO 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>