



**FILED**

11/05/18  
04:59 PM

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Investigation pursuant to Senate Bill 380 to determine the feasibility of minimizing or eliminating the use of the Aliso Canyon natural gas storage facility located in the County of Los Angeles while still maintaining energy and electric reliability for the region.

Investigation 17-02-002  
(Filed February 17, 2017)

**DECISIONMAKER NOTICE OF EX PARTE COMMUNICATION**

**DATE and TIME:** October 30-31, 2018.

**LOCATION:** N/A.

**COMMUNICATION MEDIUM:** Written. The full text of the communication is enclosed.

**WHO INITIATED COMMUNICATION:** Issam Najm, Ph.D., Board President, Porter Ranch Neighborhood Council.

**PERSONS PRESENT ON BEHALF OF THE COMMISSION:** CPUC President Michael Picker.

**PERSONS PRESENT ON BEHALF OF INTERESTED PERSON:** Issam Najm, Ph.D., Board President, Porter Ranch Neighborhood Council.

**DID NOTICE OF EX PARTE FILED BY INTERESTED PERSON INCLUDE THE TOPIC, DESCRIPTION, AND ANY WRITTEN MATERIALS PROVIDED DURING THE EX PARTE COMMUNICATION?** N/A

**IF YES, PLEASE REFER TO NOTICE FILED BY INTERESTED PERSON ON:**

N/A

*/s/ Michael Picker*

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Michael Picker, President, California Public Utilities Commission

## **Attachment A**

**From:** Picker, Michael  
**Sent:** Wednesday, October 31, 2018 3:04 PM  
**To:** 'Issam Najm' <[IssamNajm@prnc.org](mailto:IssamNajm@prnc.org)>  
**Subject:** RE: Letter Regarding Aliso Canyon

I disagree.

**From:** Issam Najm <[IssamNajm@prnc.org](mailto:IssamNajm@prnc.org)>  
**Sent:** Wednesday, October 31, 2018 2:20 PM  
**To:** Picker, Michael <[Michael.Picker@cpuc.ca.gov](mailto:Michael.Picker@cpuc.ca.gov)>  
**Cc:** Rechtschaffen, Cliff <[Cliff.Rechtschaffen@cpuc.ca.gov](mailto:Cliff.Rechtschaffen@cpuc.ca.gov)>; Peterman, Carla J. <[Carla.Peterman@cpuc.ca.gov](mailto:Carla.Peterman@cpuc.ca.gov)>; Guzman Aceves, Martha <[Martha.GuzmanAceves@cpuc.ca.gov](mailto:Martha.GuzmanAceves@cpuc.ca.gov)>; Randolph, Liane <[Liane.Randolph@cpuc.ca.gov](mailto:Liane.Randolph@cpuc.ca.gov)>; Stebbins, Alice <[Alice.Stebbins@cpuc.ca.gov](mailto:Alice.Stebbins@cpuc.ca.gov)>; Lisa Malashenko <[elisaveta.malashenko@cpuc.ca.gov](mailto:elisaveta.malashenko@cpuc.ca.gov)>; Bruno, Kenneth <[kenneth.bruno@cpuc.ca.gov](mailto:kenneth.bruno@cpuc.ca.gov)>  
**Subject:** Re: Letter Regarding Aliso Canyon

Dear President Picker,

I realize I probably need to file another ex-parte communication notice on this, but that is fine. I am a bit surprised by your response. You seem to imply that the only failure here was ours because we did not understand what we are living next to! We know about Termo's oil operation on the property... and by the way, I assume you also know that they were venting their off-gas under a tree to hide it from inspectors when they could not put it into the gas system during the blowout? But we are not going to talk about that here.

The letter is not about the existence of oil operation. The letter is about the blatant fraud committed by the Gas Company against the people by 1) withholding the fact that there was crude oil in the gas that they showered the community with for four months, which they unquestionably knew about all along since they have to remove it from the gas themselves, and 2) they actively deceived us into a false sense of safety by constantly stating in public communications that there are no long-term health effects to the exposure because the gas only contained mercaptans which have only short-term health effects. Should we not be upset about that?

I understand that the PUC has no authority over the non-SoCalGas activities. But the PUC has authority over SoCalGas. The PUC regulates every aspect of their operation. I understand the Commission has to worry about the gas supply for the entire State, but I would think the Commission would not tolerate fraudulent activities by the very companies that you oversee. If this were a municipal entity, the People would have a say in how this fraud is

handled. Unfortunately, SoCalGas is not a municipal entity. For better or for worse, the Commission is the only agent of the People in all aspects of this matter, and we are appealing to you to exercise that role.

As a father of three children who grew up in Porter Ranch, it is my job to protect the health and wellbeing of my family, and I don't take well to a company that showers my family with very harmful chemicals with known long-lasting health effects, while actively lying to me about it. This went on for four months! I am sure no one would take well to that either. We are only asking you to walk a mile in our shoes, and consider what we are having to deal with on our own!

Thank You.

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Issam Najm, Ph.D.  
Board President  
Porter Ranch Neighborhood Council  
[IssamNajm@prnc.org](mailto:IssamNajm@prnc.org)

On Oct 31, 2018, at 10:54 AM, Picker, Michael <[Michael.Picker@cpuc.ca.gov](mailto:Michael.Picker@cpuc.ca.gov)> wrote:

I'm always surprised that the community does not still does not know that they live in the midst of an active oil and gas extraction field, not just a storage field. I'm also always surprised that they didn't pay attention to my warnings in early community meetings that the CPUC has no authority over those activities.

I'm pasting in a response from the CEC's gas and oil consultant for your further awareness.

**From:** Catherine Elder <[Kelder@aspene.com](mailto:Kelder@aspene.com)>

**Date:** October 31, 2018 at 9:24:32 AM PDT

**To:** "Weisenmiller, Robert@Energy" <[Robert.Weisenmiller@energy.ca.gov](mailto:Robert.Weisenmiller@energy.ca.gov)>, "Mack, Grant@Energy" <[Grant.Mack@energy.ca.gov](mailto:Grant.Mack@energy.ca.gov)>

**Subject: Aliso and oil production**

Belt and suspenders here to make sure you know that there is oil production ongoing at Aliso that is NOT owned by SoCalGas. There are at least two and maybe three different operators of oil wells. I used to know their names and anyone should be able to find them on DOGGR's website. Most of the oil production *should* be from a different depth in the formation than the gas storage, but the storage formation itself is an oil old field and there remains oil embedded in those rocks.

I believe SoCal has two oil storage tanks located down near the compressor station. They strip a relatively small amount of oil out of the gas withdrawn from storage and hold it until a truck comes in to get it. That truck has to drive through the neighborhood to get from the freeway to the Aliso gate.

I also *thought* this was covered in the CCST study – yes, the fact that there is “collocated active production” at Aliso is identified in Table 1.1-1 of the study and is shown in Figure 1.1-5. And I see discussion of the fact that the gas storage is into an old oil field. And then even Seth’s chapter on health effects is clear that the hazards are different depending on the composition of the stored gas and whether it was stored in a depleted gas vs. depleted oil reservoir.

**From:** Issam Najm <[IssamNajm@prnc.org](mailto:IssamNajm@prnc.org)>

**Sent:** Tuesday, October 30, 2018 9:40 PM

**To:** Picker, Michael <[Michael.Picker@cpuc.ca.gov](mailto:Michael.Picker@cpuc.ca.gov)>; Rechtschaffen, Cliff <[Cliff.Rechtschaffen@cpuc.ca.gov](mailto:Cliff.Rechtschaffen@cpuc.ca.gov)>; Peterman, Carla J. <[Carla.Peterman@cpuc.ca.gov](mailto:Carla.Peterman@cpuc.ca.gov)>; Guzman Aceves, Martha <[Martha.GuzmanAceves@cpuc.ca.gov](mailto:Martha.GuzmanAceves@cpuc.ca.gov)>; Randolph, Liane <[Liane.Randolph@cpuc.ca.gov](mailto:Liane.Randolph@cpuc.ca.gov)>

**Subject:** Letter Regarding Aliso Canyon

Dear Commissioners Picker, Rechtschaffen, Peterman, Guzman Ceves, and Randolph:

Please accept the attached letter from the Porter Ranch Neighborhood Council. We urge you to review it and consider our request. We look forward to receiving your response as soon as possible. A hard copy of this letter will also follow by US Mail.

Respectfully Yours.

P.S. While this letter is from the Neighborhood Council, it bears my signature and I, as a person, am a party to I.17-02-002 proceeding. Therefore, as a courtesy, I will be filing this letter to the proceeding docket as an ex-parte communication and will email it to the most recent proceeding service list within 24 hrs from now.

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Issam Najm, Ph.D.  
Board President  
Porter Ranch Neighborhood Council  
[IssamNajm@prnc.org](mailto:IssamNajm@prnc.org)



Issam Najm,  
President

Susan Gorman-Chang,  
Vice President

Andrew Krowne,  
Treasurer

Gabriel Khanlian,  
Secretary

David Balen,  
Signer

Asaad Alnajjar

Brandii Grace

Jason Hector

Alex Kim

Becky Leveque

Hassan Memarian

October 30, 2018

Commissioners Picker, Peterman, Randolph, Guzman Aceves, and Rechtschaffen  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, California 94102

Dear Commissioners:<sup>1</sup>

As you well know, the Porter Ranch Neighborhood Council (PRNC), which is an elected body of representatives of the community of Porter Ranch, has been working closely with the PUC staff on the matter of the Aliso Canyon gas storage and processing facility after the disastrous rupture of well SS-25 in October 2015. We continue to be gravely concerned about the health and safety of our community, and we continue to call for the expedited and responsible closure of the Aliso Canyon Facility as called for by Governor Brown. However, recent revelations about the facility have so further outraged us that we wish to bring the matter directly to your attention.

This year, the Aliso Canyon facility requires renewal of its Title V permit from the South Coast Air Quality Management District (SCAQMD), and the draft permit was issued by the SCAQMD for public review and comment.<sup>2</sup> The permit describes all the equipment used at the facility and their contents, and we were surprised to find references to crude oil tanks. When we inquired about the reason for storing crude oil at the site, SCAQMD staff informed us that the facility does not use crude oil, but rather produces it. Specifically, since the gas storage reservoir is an abandoned oil reservoir, sufficient amounts of crude oil are pulled out with the gas that SoCalGas actively implements specific treatment systems to remove the crude oil from the gas before it is served into the system.

The above revelation means that SoCalGas clearly knew that the 100,000 metric tons of gas that were discharged uncontrollably from the field between October 23, 2015 through February 12, 2016 contained crude oil that was not removed from the gas but rather settled on and in our homes, schools, parks, and everywhere else. Yet, throughout the entire four months, SoCalGas intentionally withheld this information from the public and insisted that there were no long-term health effects for the people because the gas only contained methane and mercaptans, and methane is non-toxic, while the mercaptans are only irritants with minor short-term health effects. AT NO TIME during this entire event did SoCalGas tell the people of Porter Ranch and the North San Fernando Valley that the gas being spread over our community contained crude oil, when they knew exactly that it did because they otherwise have to remove it from the gas before they are allowed to use it. If this is not the epitome of corporate deception, we don't know what is!

<sup>1</sup> This letter represents the opinion of the PRNC, and not necessarily that of the City of Los Angeles.

<sup>2</sup> <http://www3.aqmd.gov/webapp1/publicnotices2/Search.aspx?&DateFrom=7/25/2018&DateTo=10/25/2018&CompanyId=800128>

## Porter Ranch Neighborhood Council

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This is not a game of numbers and gas supply and demand. We are sure that none of you would tolerate having your children be sprayed with crude oil for four months while being lied to in the face about the content of that spray. Crude oil contains a laundry list of life-threatening chemicals with disastrous long-term health effects, including various forms of cancer. How can that be acceptable to anyone? What happens the next time a gas well ruptures? What will you tell the people who will be showered with crude oil again?

As commissioners, you have the awesome responsibility of overseeing the operation and conduct of all privately-held utilities in the State. We submit to you that you also have the moral authority – indeed the moral responsibility – to protect the lives of the people of California from the fraudulent and harmful conduct of the very utilities you oversee. This deceitful omission by SoCalGas should outrage you as much as it outrages us, and it should not stand. This company became the entity it is now because of the people of Southern California. Yet, it does not hesitate to deceive them for its own profits.

The disaster of Aliso Canyon is not behind us and its effects will linger for decades to come. It is time for the Commission to right this wrong. SoCalGas should not get away with what they have done. We urge you to take action now; adopt the Governor's directive and set in motion the process to shut down the Aliso Canyon facility sooner rather than later. You have the authority to modify the scope of I.17-02-002 and focus it on developing and implementing the steps needed to achieve the goal of closing down this facility.

We respectfully ask that you provide us with a written response to our request as soon as possible, but we hope that you will be on the right side of history and do the right thing by a community that did not ask for any of this, yet continues to pay the high price for all of it.

Respectfully Yours,  
Porter Ranch Neighborhood Council



Issam Najm, Ph.D., P.E.  
President

cc: Mr. Henry Stern, California State Senator, District 27  
Mr. Robert Hertzberg, California State Senator, District 18  
Mr. Dante Acosta, California Assemblymember, District 38  
Mr. Jesse Gabriel, California Assemblymember, District 45  
Mr. Brad Sherman, United States Representative, California 30<sup>th</sup> District  
Dr. Robert Weisenmiller, Chair, California Energy Commission  
Ms. Mary Nichols, Chair, California Air Resources Board  
Ms. Kathryn Barger, Los Angeles County Supervisor  
Mr. Angelo Bellomo, Los Angeles County Department of Public Health  
Mr. Wayne Nastri, Executive Director, South Coast Air Quality Management District  
Mr. Mitchell Englander, Los Angeles City Councilman  
Mr. Eric Garcetti, Mayor, City of Los Angeles