



**FILED**

03/08/21  
11:38 AM

ALJ/ZZ1/lil 3/8/2021

**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

**ADMINISTRATIVE LAW JUDGE'S RULING ON CONFIDENTIALITY CLAIMS  
BY SOUTHERN CALIFORNIA GAS COMPANY REGARDING INFORMATION  
IN THE ENERGY DIVISION'S MODELING REPORT, REQUESTING  
COMMENTS ON THE ENERGY DIVISION'S MODELING REPORT**

**Summary**

This ruling addresses the Southern California Gas Company's request for confidential treatment of portions of Energy Division's *Aliso Canyon Investigation (I.) 17-02-002 Phase 2: Modeling Report* (Modeling Report). Due to the lack of legal and factual support for confidential treatment of the proposed redactions in the Modeling Report, Southern California Gas Company's request is denied. The Modeling Report, without redactions, is affixed to this ruling as Attachment A. Parties are ordered to submit opening comments on March 19, 2021 and reply comments on April 5, 2021.

## **1. Request for Confidential Treatment**

Initially, Southern California Gas Company (SoCalGas) asserted the proposed redactions to the Modeling Report should be granted confidential treatment for two reasons:

- 1) The material involves market sensitive and trade secret information that would place SoCalGas at an unfair business disadvantage, and
- 2) The material involves critical infrastructure information that could be used to identify vulnerabilities of the gas delivery network.<sup>1</sup>

After the assigned Administrative Law Judge (ALJ) granted SoCalGas' request for confidential treatment on a preliminary basis and requested SoCalGas to answer specific questions related to the purported confidential material, SoCalGas withdrew the claims based on market sensitive and trade secret information.<sup>2</sup>

Based on permission granted at the February 22, 2021 prehearing conference, the Protect Our Communities Foundation filed additional objections to SoCalGas' request for confidentiality treatment of linepack information in the Modeling Report.<sup>3</sup>

---

<sup>1</sup> Motion of Southern California Gas Company (U904G) for Confidential Treatment of Ordered Comparison Table (Attachment 1) With Proposed Redactions to Energy Division's Aliso Canyon I.17-02-002 Phase 2: Modeling Report, January 11, 2021.

<sup>2</sup> Southern California Gas Company (U904G) Response to Administrative Law Judge Ruling on Confidentiality Claims in the Energy Division's Aliso Canyon I.17-02-002 Phase 2: Modeling Report, February 17, 2021, at 3.

<sup>3</sup> The Protect Our Communities Foundation Opposition to Southern California Gas Company Response to Administrative Law Judge Ruling on Confidentiality Claims in Energy Division's Aliso Canyon I.17-02-002 Phase 2: Modeling Report, March 3, 2021.

Pending before us is SoCalGas' remaining assertion that the gas linepack information in the Modeling Report is critical infrastructure information that can be used to plan and stage attacks on SoCalGas' system.<sup>4</sup> SoCalGas explains:

Storing excess gas supply in pipelines is referred to as "packing" while drawing excess gas supply from pipelines is referred to as "drafting." Areas of gas network with little linepack pack-and[-]draft capacity have little room to tolerate an upset condition. Likewise, areas with high pack-and-draft capacity indicate that the utility uses that capacity to serve customer demand or maintain other critical operations. Further, system-wide data showing when linepack levels are at their lowest point would indicate when the system is most vulnerable and at its lower levels of margin. Bad actors could use that information, along with other facility infrastructure information already publicly available.<sup>5</sup>

## 2. Discussion

The Commission specified the baseline showings for information to be deemed confidential as critical infrastructure.<sup>6</sup> While the instructions in that decision are particular to disclosures outside of proceedings, they highlight the important characteristics appropriate for review in this proceeding, including:

- Whether the information is customarily in the public domain:
  - Is the information related to the location of a physical structure that is visible to the naked eye; or
  - Available publicly online or in print.

---

<sup>4</sup> Southern California Gas Company (U904G) Response to Administrative Law Judge Ruling on Confidentiality Claims in the Energy Division's Aliso Canyon I.17-02-002 Phase 2: Modeling Report, February 17, 2021, at 4 – 6.

<sup>5</sup> *Id.* at 4.

<sup>6</sup> Decision (D.) 20-08-031, Phase 2B Decision Adopting Baseline Showings Necessary to Qualify for Consideration of Confidential Treatment, at 8 – 14.

- Whether the subject information either:
  - Could allow a bad actor to attack, compromise or incapacitate physically or electronically a facility providing critical utility service, or
  - Discusses vulnerabilities of a facility providing critical utility service.<sup>7</sup>

Here, SoCalGas explains that it has not made the linepack information public.<sup>8</sup> SoCalGas argues that bad actors could use the information to plan and stage attacks on the SoCalGas system.<sup>9</sup> SoCalGas' assertions imply the entire SoCalGas system as a whole is vulnerable if there is "little linepack pack-and-draft capacity" because the system has "little room to tolerate an upset condition." Similarly, SoCalGas argues its system is vulnerable if there is "high pack-and-draft capacity," which means there is gas usage to "serve customer demand or maintain other critical operations."<sup>10</sup> SoCalGas' explanation fails to give specific reasons as to how the redacted material in the Modeling Report reveals information that endangers its critical infrastructure. Mainly, SoCalGas' argument is unpersuasive for two reasons.

First, SoCalGas' argument that it is dangerous to allow bad actors to know when the linepack is low or high is contradicted by its redactions in the Modeling Report. For example, the figures on pages 50 and 53 show the linepack numbers on the Y axis and a 30-hour period on the X axis. SoCalGas did not

---

<sup>7</sup> D.20-08-031, Phase 2B Decision Adopting Baseline Showings Necessary to Qualify for Consideration of Confidential Treatment, at 14 – 15.

<sup>8</sup> Southern California Gas Company (U904G) Response to Administrative Law Judge Ruling on Confidentiality Claims in the Energy Division's Aliso Canyon I.17-02-002 Phase 2: Modeling Report, February 17, 2021, at 3.

<sup>9</sup> *Id.* at 5.

<sup>10</sup> *Id.* at 4 – 5.

redact the X axis, which shows the time of the day when the linepack would be high or low. According to SoCalGas, this information would allow a bad actor to determine when to attack the system. Instead, SoCalGas redacted the Y axis, the linepack numbers. Yet, the linepack numbers does not by themselves tell the viewer whether the pipeline is at a relatively low or high state at a certain time period.

Second, SoCalGas asserts that “areas with high pack-and-draft capacity indicate that the utility uses that capacity to serve customer demand or maintain other critical operations.”<sup>11</sup> The Modeling Report does not discuss any specific areas of the SoCalGas system. SoCalGas redacted numbers where the Modeling Report discusses the linepack information in the context of simulations related to weather conditions, without any indications to the specific area of SoCalGas’ system. For example, the simulation for Winter 2020 failed because the total forecasted demand for gas exceeded the total gas in the pipeline and storage, and the simulation showed a total linepack loss of around 750 million cubic feet per day.<sup>12</sup> The Modeling Report explained that the simulation for winter 2025 failed and the simulation showed a total linepack loss of around 360 million cubic feet per day.<sup>13</sup> The numbers redacted are estimated loss based on simulations, unrelated to any specific geographic areas. Again, SoCalGas’ reasons do not justify the redactions.

SoCalGas presents additional unpersuasive arguments. SoCalGas highlights that it is important to keep the linepack data confidential so bad actors

---

<sup>11</sup> *Id.* at 4.

<sup>12</sup> Aliso Canyon I.17-02-002 Phase 2: Modeling Report at 34.

<sup>13</sup> *Id.* at 36.

would not have “familiarity” with the gas system because the saboteurs of gas service lines in Aspen, Colorado had “familiarity” with the gas system.<sup>14</sup> The general description of having “familiarity” with the gas system can apply to any aspect of the gas system and in no way justifies confidential treatment of the linepack data.

SoCalGas asserts D.15-06-004 is instructive because it states that SoCalGas does not have to provide the linepack levels and providing the linepack levels could cause the market to overdeliver supply.<sup>15</sup> D.15-06-004 resolved the application of SoCalGas and San Diego Gas & Electric Company for low operational flow order and emergency flow order requirements, replacing prior winter balancing rules to avoid curtailments and to improve operational stability.<sup>16</sup> Explaining that certain information is unnecessary to determine the operational flow order does not inform the legal question of whether the information is entitled to confidential protection under the law. In fact, D.15-06-004 states that SoCalGas and San Diego Gas & Electric Company did not propose to base an operational flow order on linepack levels; therefore, the information would not indicate whether an operational flow order would be issued.<sup>17</sup> D.15-06-004 does not support SoCalGas’ argument for confidential treatment of linepack information.

---

<sup>14</sup> Southern California Gas Company (U904G) Response to Administrative Law Judge Ruling on Confidentiality Claims in the Energy Division’s Aliso Canyon I.17-02-002 Phase 2: Modeling Report, February 17, 2021, at 5,

<sup>15</sup> *Id.* at 5 – 6. D.15-06-004 at 23 – 24.

<sup>16</sup> D.15-06-004 at 3.

<sup>17</sup> *Id.* at 24.

Due to the failure to present legal and factual support for confidential treatment of the redacted portions of the Modeling Report, SoCalGas' request is denied. Consequently, SoCalGas' request to keep the linepack information confidential in perpetuity is denied. SoCalGas presented no legal support that any information has ever been given perpetual, basically permanent, confidential treatment.

### **3. Energy Division Modeling Report and Request for Comments**

The unredacted Modeling Report is affixed to this ruling as Attachment A. Parties are ordered to submit opening comments on March 19, 2021 and reply comments on April 5, 2021.

### **4. Next Steps**

On February 22, 2021, a prehearing conference was held. The parties discussed potential issues of disputed facts and the need for testimony and an evidentiary hearing. The Modeling Report comments will provide details on the issues discussed during the prehearing conference, informing the decision as to the next procedural steps for Phase 2. After reviewing the Modeling Report comments, the assigned ALJ will set a status conference in mid-April to discuss the next procedural steps for Phase 2.

#### **IT IS RULED that:**

1. Aliso Canyon I.17-02-002 Phase 2: Modeling Report, unredacted, is attached to this ruling as Attachment A.
2. Southern California Gas Company's request for confidential treatment of critical infrastructure information is denied.
3. Parties shall file opening comments on the Aliso Canyon I.17-02-002 Phase 2: Modeling Report by March 19, 2021.

4. Partis shall file reply comments on the Aliso Canyon I.17-02-002 Phase 2: Modeling Report by April 5, 2021.

Dated March 8, 2021, at San Francisco, California.

/s/ ZHEN ZHANG  
\_\_\_\_\_  
Zhen Zhang  
Administrative Law Judge