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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

**ASSIGNED ADMINISTRATIVE LAW JUDGE'S RULING
ENTERING INTO THE RECORD THE SOUTHERN CALIFORNIA
WINTER GAS PEAK SAVINGS POTENTIAL ANALYSIS**

On September 23, 2022, the Assigned Commissioner's Ruling Entering into the Record Energy Division Proposal and Ordering Testimony directed the parties to serve written testimony in October and November of 2022. On October 18, 2022, the deadlines were extended.¹ The opening testimony is due on December 12, 2022. The rebuttal testimony is due on January 18, 2023. The sur-rebuttal testimony is due on February 8, 2023.

This ruling enters into the record the "Southern California Winter Gas Peak Savings Potential Analysis" memo by Guidehouse Consulting (Guidehouse Analysis).² An Excel file supporting the Guidehouse Report is posted at the following address: <https://www.cpuc.ca.gov/regulatory-services/safety/pipeline-safety/aliso-canyon-well-failure/aliso-canyon-well-failure-order-instituting-investigation>.

¹ Email Ruling Extending Testimony Due Dates, October 19, 2022.

² The Guidehouse Report is affixed as Attachment A.

The Guidehouse Analysis attached to this ruling shows a different perspective as compared to the building electrification study relied on in the Phase 3 Report by FTI.³ The Phase 3 Report focused on energy efficiency and building electrification potential without regard to program design, end-use customer decisions or cost limitation factors. The Guidehouse Analysis evaluates how energy efficiency and fuel substitution via existing investor-owned utility (IOU) ratepayer-funded program channels could reduce the need for gas during peak winter hours in southern California. While most energy efficiency studies focus on savings throughout the year, this study adds value by focusing on times of peak gas demand. The Guidehouse study compares peak gas demand reduction potential and cost-effectiveness achievable among different energy efficiency and building electrification measures included in current IOU ratepayer-funded programs. Because it focuses only on incremental design changes to these programs, this analysis may not capture the potential that would be possible with other programs, new programs, or broader policy changes. Therefore, when the Guidehouse study and the Phase 3 Report are viewed together, they approximate lower and upper bounds on the potential to reduce gas demand by increasing building electrification.

This ruling directs the parties to consider the Guidehouse Analysis in their testimony when formulating answers and responding to the specific questions in the Energy Division Staff Proposal for Portfolio and Next Steps.

³ Administrative Law Judge's Ruling Entering into the Record Aliso Canyon Investigation 17-02-002, Phase 3 Report, Requesting Comments, January 19, 2022.

IT IS SO RULED.

Dated October 24, 2022, at San Francisco, California.

/s/ ZHEN ZHANG
Zhen Zhang
Administrative Law Judge

ATTACHMENT A