

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



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Application of Southern California Gas
Company (U904G) in Compliance with
Ordering Paragraph 6 of Decision 24-12-076.

Application 26-01-009
(Filed January 15, 2026)

**SIERRA CLUB COMMENTS IN RESPONSE TO
ALISO CANYON BIENNIAL ASSESSMENT WORKSHOP**

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Dated: April 28, 2026

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Pursuant to Administrative Law Judge Ormond’s direction during the April 15, 2026 Aliso Canyon Biennial Assessment Workshop and her ruling on April 16, 2026,¹ Sierra Club submits these timely filed comments.

The April 15 workshop juxtaposed some of the key issues between parties in this proceeding, namely the methodologies, inputs, and conclusions in determining whether and how much to decrease the inventory at the Aliso Canyon Storage facility. These comments emphasize key technical statements and discussion at the Workshop.

I. TECHNICAL STATEMENTS MADE DURING THE WORKSHOP

During the Biennial Assessment the Commission’s Energy Division (“ED”) staff, representatives of the Southern California Gas Company (“SoCalGas”), and parties to the proceeding discussed presentations by ED and SoCalGas. Several technical statements from the workshop should be considered by the Commission in this proceeding. The Sierra Club summarizes these statements and provides a brief discussion of each point.

A. Only 30 Bcf of Aliso Canyon Is Needed to Maintain Reliability, When Energy Division Assumes Both Pipeline and Storage Outages.

The 2025 Biennial Assessment and ED workshop slides both include a table that shows the minimum required inventory at Aliso Canyon to maintain reliability during a 1-in-10 peak day demand scenario.² Dr. Najm asked ED staff whether the table’s reference to a 44% Aliso Canyon capacity needed corresponds to 68.6 billion cubic feet (“Bcf”) at 100%, which ED staff confirmed. ED’s response

¹ A.26-01-009, Email Ruling Memorializing Direction Provided at Workshop (Apr. 16, 2026), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M604/K937/604937767.PDF>.

² A.26-01-009, Compliance Filing of Southern California Gas Company, Attachment A, Energy Division, *First Aliso Canyon Biennial Assessment*, at PDF p. 13 (Apr. 16, 2026), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M604/K989/604989524.PDF> [hereafter “ED Workshop Slides”]; CPUC Energy Division, *2025 Aliso Canyon Biennial Assessment*, at 12, Table 5 (Oct. 1, 2025), https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/natural-gas/aliso-canyon/2025_aliso_canyon_biennial_assessment.pdf.

to Dr. Najm’s question confirms the accuracy of Sierra Club’s protest which stated that “in 19 [out of 27] of Energy Division’s [2025-2026] modeling scenarios, up to 44% inventory levels are needed at Aliso Canyon to maintain reliability... [For these scenarios, t]he modeling shows that energy reliability would be maintained if Aliso Canyon’s inventory limit is reduced to 30 Bcf.”³ Moreover, these scenarios assumed SoCalGas’s forecast of 1-in-10 peak day demand. Because gas demand has only risen to the level of SoCalGas’s 1-in-10 peak day demand a single time in the last 22 years, Energy Division’s scenario modeling is conservative.⁴ Sierra Club urges the Commission to adopt ED’s findings that 44% inventory—meaning 30 Bcf—at Aliso Canyon is sufficient to maintain reliability.

B. ED Stated That It Found SoCalGas’ 1-in-10 Peak Day Gas Demand Forecast to Be Run Correctly, But Sierra Club’s Review Shows SoCalGas Used Problematic Inputs and Methodology.

ED stated that it reviewed SoCalGas’s peak demand forecast and the regression was run correctly and that the margin of error was a few hundred million cubic feet per day (“MMcfd”) plus or minus the SoCalGas forecast. However, ED did not sufficiently critique SoCalGas’ methodology and inputs; Sierra Club finds that SoCalGas’ methodology and inputs are flawed and yield inflated demand projections.

While ED checked and confirmed SoCalGas’s math, there are significant errors in SoCalGas’ methodology and inputs that require Commission attention. For example, in the 2024 California Gas Report Work Papers, SoCalGas acknowledges a warming trend over the last several decades and implicitly attributes that warming trend to climate change.⁵ Despite acknowledging climate change, and the resulting warming temperatures, SoCalGas uses over 70 years of historical temperature data (e.g., temperatures starting in 1950) to forecast its 1-in-10 peak cold day temperature.⁶ That data range (e.g., 1950-2023) decreases SoCalGas’s forecast for its 1-in-10 peak cold-day temperature significantly compared to what SoCalGas’s forecast would find if it used temperature data from the most recent 20 or 30 years. While this is not the most significant error, it is the easiest to explain. In testimony, Sierra Club will detail additional errors in SoCalGas’s 1-in-10 demand forecast.

Because the 1-in-10 peak-day demand forecast is central to the Commission’s decision-making

³ A.26-01-009, Sierra Club Protest, at 8-9 (Feb. 20, 2026), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M600/K064/600064174.PDF>.

⁴ For data and discussion on SoCalGas’s peak-day demand forecast, see heading II.A of these comments.

⁵ SoCalGas, *2024 California Gas Report Workpapers, Redacted Version*, at 373-379 (Aug. 2024), <https://www.socalgas.com/sites/default/files/2024-08/2024-CGR-Workpapers-SoCalGas.pdf>.

⁶ *Id* at 380-385.

on Aliso Canyon,⁷ the Commission should evaluate the peak demand forecast within this and every future cycle of Aliso Canyon Biennial Assessment proceedings. Even after the Commission switches to using California Energy Commission (“CEC”) forecasts, evaluation of the peak demand forecasts should be a core issue in each cycle until the Commission orders SoCalGas to decommission Aliso Canyon. Sierra Club urges the review of peak demand forecasts in the scope of this and future proceedings.

C. ED Questioned the Reasonableness of SoCalGas’ Flowing Gas Supply Assumptions and Receipt Point Utilization Assumptions.

SoCalGas defines receipt point utilization (“RPU”) as “the actual physical natural gas supplies received divided by SoCalGas’ capacity to receive supplies.”⁸ ED questioned whether it was reasonable for SoCalGas to stack low RPU on top of pipeline outages that reduce flowing gas supply. Sierra Club concurs with ED’s skepticism and urges the Commission to reject SoCalGas’s modeling assumptions.

ED slides and SoCalGas slides both reference RPU, but ED’s approach is consistent with the Biennial Assessment methodology requirements, while SoCalGas’ does not. For example, ED’s RPU assumptions adhere to the prescribed RPUs in the assessment methodology. In response to a workshop-posed question from Dr. Najm, SoCalGas stated that it believes ED completed the Biennial Assessment in accordance with the methodology detailed in D.24-12-076. No party but SoCalGas made similar assertions that SoCalGas’ methodology was consistent with the methodology described in D.24-12-076, primarily because SoCalGas’ methodology diverges in the following problematic ways.

First, SoCalGas assumes large pipeline outages and capacity reductions. These large supply reductions are SoCalGas’s preferred inputs compared to the required inputs detailed in D.24-12-076’s Biennial Assessment Methodology. Then, SoCalGas layers RPU reductions over top of pipeline capacity reductions.⁹ SoCalGas does this despite admitting in subsequent slides that a 100% RPU assumption is reasonable when assuming various pipeline capacity reductions.¹⁰ This internal inconsistency with SoCalGas’s analysis suggests that SoCalGas changes its inputs and assumptions mid-modeling to ensure its preferred modeling outcomes.

In addition, SoCalGas provided misleading RPU figures on slide 12 and misleading labeling on

⁷ D.24-12-076, Order Denying Rehearing of Decision 24-12-076, at 2 (Dec. 24, 2024), <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M551/K009/551009286.PDF> (“This decision finds that Aliso Canyon is necessary for natural gas and electric reliability and cost containment until the peak day natural gas demand forecast drops below 4,121 million metric cubic feet per day.”) [hereinafter “D.24-12-076”].

⁸ SoCalGas Response to Sierra Club Data Request 1-22 (Mar. 20, 2026) (added as Attachment 1).

⁹ ED Workshop Slides at PDF p. 31.

¹⁰ *Id.* at PDF p. 35.

slide 13. Moreover, on various slides, SoCalGas seems to conflate available gas at receipt points with scheduled customer deliveries at receipt points.¹¹

Sierra Club will provide more data and details on RPU in testimony, but wish to flag this concern for Commission attention throughout this proceeding. SoCalGas's RPU assertions are self-serving, conflict with the Biennial Report Methodology, conflict with historical norms, and conflict with third-party modeling recommendations. The Commission should dismiss SoCalGas's RPU assertions in favor of ED's modeling assumptions.

D. ED Questioned the Statistical Likelihood That SoCalGas' Outage Assumptions Would Overlap with a 1-in-10 Peak-Day Demand.

ED questioned the statistical likelihood that SoCalGas's 1-in-10 peak demand would occur on the same day as SoCalGas's low flowing supply and low RPU assumptions. ED stated that there was a report in 2016 that reviewed the possibility of overlapping outages at the same time as peak demand. ED stated that the report found the likelihood to be low. It is possible that ED staff was referring to Energy Division's first Section 715 report, which states that combined pipeline and gas storage outages requiring 1,119 MMcfd withdrawals from Aliso Canyon was a "low likelihood" scenario.¹² Sierra Club agrees with all of the concerns raised by ED.

E. SoCalGas Stated That Its System Was Becoming Decreasingly Reliable But Also Acknowledged This Is Due to Maintenance Outages Following Increased Oversight.

In testimony, Andrew Sawin, a Principal Engineer in SoCalGas's Gas Transmission Planning department, asserted that it was "realistic" to assume major outages across its pipeline infrastructure.¹³ During the workshop Mr. Sawin asserted that SoCalGas infrastructure is becoming less reliable, which SoCalGas notes is the result of increased oversight by the U.S. Pipeline and Hazardous Materials Safety Administration ("PHMSA").¹⁴ SoCalGas' system has caused explosions, deaths, and illness, but agency

¹¹ *Id.* at PDF pp. 40-41.

¹² Energy Division, *Aliso Canyon Working Gas Inventory, Production Capacity, Injection Capacity, and Well Availability for Summer 2016 Reliability*, at 3 (June 28, 2016), https://www.cpuc.ca.gov/-/media/cpuc-website/files/uploadedfiles/cpuc_public_website/content/news_room/news_and_updates/preliminary-report-section-715-of-the-public-utilities-code.pdf ("Scenario 4 results in a 1,119 MMcfd gas withdrawal-capacity requirement from Aliso. This is a lower probability scenario reflecting the risk of several coincident events occurring... The *low likelihood* of scenario 4 occurring justifies allowing for a withdraw capacity that may not meet scenario 4 needs." [emphasis added]).

¹³ SoCalGas, *Prepared Direct Testimony of Andrew J. Sawin on Behalf of Southern California Gas Company (U 904 G)*, at 14-15 (Jan. 15, 2026), <https://docs.cpuc.ca.gov/PublishedDocs/SupDoc/A2601009/8901/596418493.pdf> [hereinafter "Sawin Direct Testimony"].

¹⁴ See ED Workshop Slides at PDF p. 38 ("In 2019, the Pipeline and Hazardous Materials Safety Administration (PHMSA) adopted Part 1 of the Gas Transmission Safety Rule, which substantially expanded integrity

oversight is leading to increased inspection and maintenance outages. SoCalGas cannot argue both ways—that it is a safe utility that should be trusted to store more gas at Aliso Canyon *and* that its system is so unreliable that it should be allowed to store more gas, just in case of outages. The Commission should both increase scrutiny over SoCalGas’ system and decrease reliance on Aliso Canyon.

SoCalGas relies almost entirely on out-of-state gas, importing 96% of customer-served gas.¹⁵ While the out-of-state gas supply has proven troubled in recent years including production freeze-offs¹⁶ and outages due to pipeline explosions,¹⁷ Sempra has exacerbated these issues through its own planned diversion of gas away from SoCalGas customers.¹⁸ SoCalGas’s testimony stated that Sempra’s Energia Costa Azul’s “export capacity is expected to reach up to 425 MMcfd, which could effectively reduce available supplies to the Southern System from 1,210 MMcfd to 785 MMcfd—65% of the nominal capacity of the Southern System[.]”¹⁹

Because the Commission has limited ability to address out-of-state gas supply, its responsibility to Californians is to ensure that SoCalGas has just enough inventory at Aliso Canyon to meet realistic demand projections. Despite the issues with out-of-state gas supply, demand for gas from SoCalGas customers has exceeded forecasts only once in 22 years, and customer demand for gas continues to decline. The inventory at Aliso Canyon needed to address this out-of-state supply is more than sufficient, as concluded by the Biennial Assessment. The Commission should reject SoCalGas’ attempts to overstate the reliability challenges it faces.

The key gas alternative within the Commission’s influence is the electric system, which is becoming increasingly reliable and clean. In contrast to the gas system, electricity can be supplied from

management, inspection, and risk assessment requirements for gas transmission operators, *driving increased inspection and inspection activity and related maintenance outages.*” [emphasis added]).

¹⁵ Joint Investor-Owned Utilities (“IOUs”), *2024 California Gas Report*, at 21, Table 15, 2023 Gas Sources (Aug. 2024), <https://www.socalgas.com/sites/default/files/2024-08/2024-California-Gas-Report-Final.pdf>, (1-(91MMcfd / 2,535MMcfd) = 96.410 = 96%).

¹⁶ U.S. Energy Information Administration (“EIA”), *Winter Storms Have Disrupted U.S. Natural Gas Production* (Mar. 13, 2024), <https://www.eia.gov/todayinenergy/detail.php?id=61563>.

¹⁷ U.S. National Transportation Safety Board, *Kinder Morgan Natural Gas–Fueled Explosion* (Aug. 15, 2021), <https://www.ntsb.gov/investigations/AccidentReports/Reports/PIR2301.pdf> (“The explosion and fire destroyed a farmhouse about 451 feet away, killing two of the three occupants and seriously injuring the other. About 33 acres of vegetation were damaged in some areas about 878 feet away from the rupture crater. A 47-foot segment of pipe was ejected about 133 feet from the center of the crater.”).

¹⁸ Sawin Direct Testimony at 10.

¹⁹ *See Id.* (“ECA’s export capacity is expected to reach up to 425 MMcfd, which could effectively reduce available supplies to the Southern System from 1,210 MMcfd to 785 MMcfd—65% of the nominal capacity of the Southern System, which is far below the 85% RPU assumed in the Biennial Assessment.”).

renewable and clean California resources. One example of available but untapped California renewable capacity is a newly approved plan for an additional 21 GW of solar in the Wetlands Water District in the Central Valley.²⁰ Renewable and reliable California-based resources stand in stark contrast to—and within easier Commission reach—than issues with out-of-state gas supply.

F. SoCalGas Stated That It Did Not Have Any Data Regarding the Investigation into the Pipeline Rupture and Landslide in Castaic.

After asserting that the December 2025 pipeline outage in Castaic, California was caused by a landslide, a SoCalGas representative at the workshop stated he had not reviewed SoCalGas’s investigation into the outage. Sierra Club does not yet have access to the investigation at this time, and thus does not know what caused the outage. It remains unclear whether SoCalGas was responsible for the outage until that information is made public.

Parties do know, however, that SoCalGas’ system has historically been riddled with safety issues. The CPUC’s Safety and Enforcement Division (“SED”) found that SoCalGas’s negligence caused the 2015 Aliso Canyon blowout²¹ and the 2017 Line 235 explosion.²² Regarding the Aliso Canyon blowout, SED stated that “SoCalGas unsafely managed, unsafely operated, and unsafely maintained its Aliso Canyon facility for multiple decades until Well Standard Sesnon-25 (SS-25) finally failed, all in violation of California Public Utilities Code Section 451.”²³ SoCalGas’s actions are the basis for this proceeding.

II. DISCUSSION OF WORKSHOP SLIDES

A. Gas 1-in-10 Peak-Day Demand: The Commission Should Test SoCalGas’ Biased Demand Projections.

The Biennial Assessment Methodology states that Energy Division will use the California Gas Report’s forecast for 1-in-10 peak day demand.²⁴ However, that source requires additional scrutiny

²⁰ Jeff St. John, *‘We’re Harvesting the Sun’: A Huge Solar Project Grows in California* (Mar. 24, 2026), <https://www.canarymedia.com/articles/solar/were-harvesting-the-sun-solar-project-california>.

²¹ I.19-06-016, Opening Brief of the Safety and Enforcement Division, at 4-5 (May 9, 2022), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M476/K602/476602876.PDF>.

²² A.26-01-009, Sierra Club Comments in Response to Prehearing Conference Ruling (Mar. 27, 2026), Attachment A, Safety and Enforcement Division Line 235 Final Report – Redacted, Released Pursuant to CPUC Resolution L-571 (Oct. 25, 2018), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M603/K483/603483126.PDF>.

²³ I.19-06-016, Opening Brief of the Safety and Enforcement Division, at 4-5 (May 9, 2022), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M476/K602/476602876.PDF>.

²⁴ D.24-12-076, Attachment A, Biennial Assessment Report Inputs and Methods, at A3, Table 1, Rows 1-2, <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M551/K129/551129840.PDF> [hereinafter “D.24-12-076 Attachment A”].

because it is written by the gas investor-owned utilities (“IOU”). Specifically, the 1-in-10 peak day demand for customers served by SoCalGas is forecast by SoCalGas.

SoCalGas’s forecast is biased and unreliable because SoCalGas works on behalf of its shareholders, who benefit from high forecasts.²⁵ The Commission should move to using CEC forecasts for the California Gas Report for two reasons. First, the CEC is unbiased by shareholder profits. Second, Sierra Club’s initial review of SoCalGas’s 1-in-10 peak day demand found erroneous assumptions and methodology errors that push SoCalGas’s forecast higher, including use of outdated temperature data that fails to illustrate global warming and increasing SoCal temperatures. These forecast inaccuracies demonstrate that SoCalGas’s 1-in-10 peak-day demand forecast is artificially inflated.

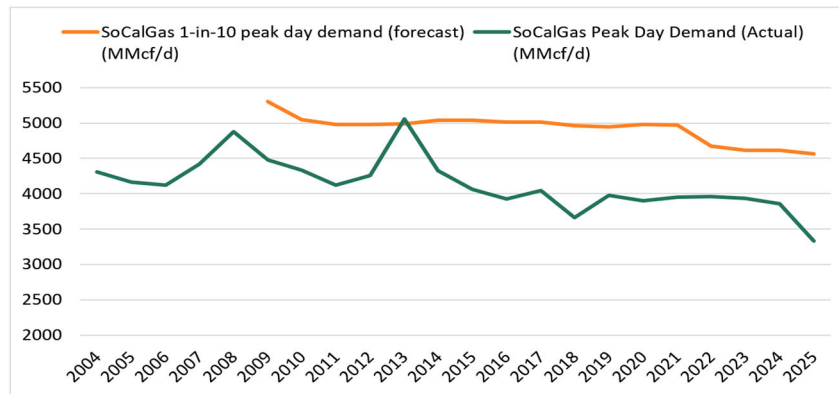
The SoCalGas system is a winter-peaking demand system, meaning the 1-in-10 peak demand forecast is likely to occur once every 10 years on a particularly cold day. Because the forecast is a statistical analysis, the actual demand could exceed the forecast twice in one year or the 1-in-10 demand might not ever occur, but neither of those outcomes are likely. Similarly, a person could flip a coin 10 times in a row with the coin coming up heads each time – a possible but not statistically likely outcome.

Over the last 22 years, customer demand exceeded SoCalGas’s 1-in-10 peak day demand forecast *once*, an unlikely outcome for an accurate 1-in-10 peak day demand forecast, as illustrated in Figure 1 below.²⁶ Moreover, it is possible that the 2013 demand spike was statistically *less* likely than a 1-in-10 demand event. Indeed, because of the flaws in SoCalGas’s methodology and inputs, which artificially increase the 1-in-10 forecast, it is *probable* that the 2013 event represents a lower-likelihood event than a 1-in-10 peak day demand.

²⁵ See D.24-12-076 at 2 (“Aliso Canyon is necessary for natural gas and electric reliability and cost containment until the peak day natural gas demand forecast drops below 4,121 million metric cubic feet per day.”).

²⁶ See footnotes 22 and 23.

Figure 1: SoCalGas Forecast 1-in-10 Peak Demand vs. Actual Annual Peak Demand^{27, 28}



As ED noted during the workshop, the CEC year-ahead forecast methodology is still being finalized, and more distant year forecasting is in development. However, currently, the year-ahead CEC 1-in-10 peak-day demand forecast results are like SoCalGas’s forecast results.²⁹ Thus, it is reasonable for the Commission to use the CEC forecast for at least the year-ahead gas demand. As the CEC develops 5-year and 10-year demand forecasts in coming years, those should also be incorporated into the Biennial Assessment process.

It is unreasonable for the Commission to remain reliant on SoCalGas for the 1-in-10 peak-day demand forecast when D.24-12-076 states that a 1-in-10 peak-day demand forecast below 4,121 MMcf/d triggers an Aliso Canyon decommissioning review.³⁰ Sierra Club remains skeptical that SoCalGas would ever release a forecast that would trigger Aliso Canyon decommissioning review.

B. Safety

Safety is central to the Commission’s decision making. Requiring the utilities to operate safely is a core function of the Commission’s regulatory responsibilities. Public Utilities Code Section 451

²⁷ Data taken from SoCalGas, *California Gas Reports*, <https://www.socalgas.com/regulatory/cgr> (last visited Apr. 28, 2026) (data released between 2008 and 2024) and SoCalGas, *ENVOY*, https://www.socalgas-envoy.com/index.jsp#nav=/Public/ViewExternalArchive.showArchive?archiveType=daily_operations (last visited Apr. 28, 2026) (daily operational data).

²⁸ The California Gas Reports first published the 1-in-10 peak day demand forecast in 2008 for the year 2009. The California Gas Reports list peak demand back to 2004 as illustrated in Figure 1. Because SoCalGas’s 1-in-10 peak day demand was approximately 5,000 MMcf/d through 2021, Sierra Club assumes that the SoCalGas forecast of peak day demand from 2004-2008 would not have been lower than that.

²⁹ Docket 22-OII-02, *Presentation - Staff Workshop on Winter 2025-26 Gas Reliability*, at 15 (Nov. 11, 2025), <https://efiling.energy.ca.gov/GetDocument.aspx?tn=267004&DocumentContentId=104170>.

³⁰ See D.24-12-076 at 3 (“When the peak day demand forecast for two years out decreases to 4,121 million metric cubic feet per day and the biennial review process shows that Aliso Canyon could be closed without jeopardy to reliability or just and reasonable rates, then the Commission will open an Order Instituting Investigation proceeding to review the conclusions of the biennial assessment, consider issuing any related orders and address any relevant issues related to permanent closure and decommissioning.”).

requires that public utilities “furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities... as are necessary to promote the safety, health, comfort and convenience of its patrons, employees and the public.”³¹

In this proceeding, safety should remain a top priority due to SoCalGas’ past failures. Both SED and the consultant hired by the Commission to determine the root cause of the Aliso Canyon blowout determined that SoCalGas’s negligence caused the blowout.³² The proceeding that created the Biennial Assessment process was (“I.”)17-02-002. The bill that directed the Commission to open Investigation I.17-02-002, Senate Bill (“SB”) 380, references “safety” more than 20 times.³³ I.17-02-002’s scoping memos #1 and #2 specifically include safety in the scope of that proceeding.³⁴ Scoping memo #1 states that “[t]he Commission, in considering whether to reduce or eliminate the use of Aliso Canyon, must find that any continued operation of the facility is deemed safe.”³⁵ It goes on to state “[f]uture operation of Aliso Canyon must ensure the health and safety of the customers it serves and communities surrounding the facility. The Commission holds safety to be paramount to operation of public utilities services.”³⁶

Not only does Section 451 require the Commission to regulate the safe operations of SoCalGas, Aliso Canyon has a demonstrated track record of harming Californians. A peer-reviewed UCLA study found that women in the later stages of pregnancy living near the blowout had nearly a 50% higher-than-expected chance of delivering a low-birth-weight baby, a condition associated with increased risk of autism spectrum disorder, ADHD, hypertension, diabetes, and coronary artery disease.³⁷ Moreover,

³¹ Cal. Pub. Util. Code § 451.

³² I.19-06-016, Opening Brief of the Safety and Enforcement Division, at 4-5 (May 9, 2022), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M476/K602/476602876.PDF>.

³³ SB 380, 2015-2016 Reg. Sess. (Cal. 2016), https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB380.

³⁴ I.17-02-002, Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge (Scoping Memo #1), at 4-5 (June 20, 2017), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M191/K054/191054230.PDF> [hereinafter “Scoping Memo #1”]; I.17-02-002, Assigned Commissioner’s Phase 2 Scoping Memo and Ruling (Scoping Memo #2), at 3, Issue 2(a) (Mar. 29, 2019), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M277/K245/277245668.PDF> [hereinafter “Scoping Memo #2”].

³⁵ Scoping Memo #1 at 4.

³⁶ *Id.* at 5.

³⁷ Kimberly C. Paul et al., *Investigating the Aliso Canyon Gas Blowout Disaster and Adverse Birth Outcomes: A Quasiexperimental Approach*, *Sci. Advances*, Vol. 11, No. 37, at 5 (Sept. 12, 2025), <https://doi.org/10.1126/sciadv.adr6684>.

Aliso Canyon continues to emit toxins, including carcinogens.³⁸ For the reasons listed above, the scope of the instant proceeding should retain safety as a core issue.

C. Economic Analyses

Both SoCalGas and ED said the economic analysis was basic and limited. Indeed, the Commission *needs* a basic economic analysis to ensure timely delivery of the biennial assessments. D.24-12-076 stated that the economic analysis was designed to be “simple and transparent” and determined the analysis to be reasonable.³⁹ Moreover, future gas prices are unknown and unknowable, especially gas prices more than six months into the future, which is what the two biennial assessment report economic analyses evaluate. A more complex gas price analysis would not likely do anything more than delay Commission decision making.

Further, the economic triggers were adopted in D.24-12-076 over the objections of parties who noted that the triggers were biased toward retaining Aliso Canyon.⁴⁰ D.26-02-058 shows that one of the economic triggers for the biennial assessments activates at just 33% of what the Commission defines as a price spike, defining a core-procurement gas price spike as a 150% increase over historical 10-year averages.⁴¹ In contrast, the Biennial Methodology states that an increase of “50 percent or more above the bidweek price of gas in Southern California during the previous three winters” defines the trigger threshold.⁴² While the economic analyses in the Biennial Assessment Methodology are basic and skewed toward retaining Aliso Canyon, they are the analyses determined by the Commission to provide financial protection to ratepayers. The Commission should retain the economic triggers as a means to test whether Aliso Canyon inventory needs to be maintained; in this case, inventory reduction is appropriate.

Thank you for considering these comments.

³⁸ South Coast Air Quality Management District, *FIND Database*, Facility ID 800128, <https://xappprod.aqmd.gov/find> (last visited Apr. 28, 2026); I.17-02-002, Issam Najm Notice of Ex Parte Communication, at Attachment p. 4, PDF p. 7 (Aug. 8, 2023), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M516/K768/516768711.PDF>.

³⁹ D.24-12-076 at 58.

⁴⁰ *Id.* at 52-57.

⁴¹ D.26-02-058, Decision Regarding the Causes and Contributors to the 2022-2023 Gas Price Spike and Adopting Directions to Reduce the Likelihood or Mitigate the Impact of Future Gas Price Spikes, at 189, COL 1 (Mar. 5, 2026), <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M601/K862/601862088.PDF>.

⁴² D.24-12-076 Attachment A at A8-A9 (economic trigger #2).

Dated: April 28, 2026

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