

**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
THE SOCALGAS EXTERNAL OUTAGE REPORT AND TO
THE SOCALGAS INTERNAL OUTAGE REPORT**

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Pursuant to Administrative Law Judge (“ALJ”) Ormond’s direction during the April 15, 2026 workshop and her ruling on April 16, 2026 (“Ruling”),¹ Sierra Club submits these timely filed comments on SoCalGas’s outage reports.

I. BACKGROUND AND INTRODUCTION

During the Aliso Canyon Biennial Report Workshop on April 15, 2026, and in the Ruling following the workshop, ALJ Ormond directed SoCalGas to file two outage reports. The Ruling directed SoCalGas to provide “information about concerning outages” inside and outside of Southern California Gas Company (“SoCalGas”) territory. On May 1, 2026, SoCalGas filed its SoCalGas External Outage report.² On May 15, 2026, SoCalGas filed its SoCalGas Internal Outage Report.³

Sierra Club has reviewed the two outage reports filed by SoCalGas. The outage reports include errors, omissions, and unsupported assertions. An additional concern is SoCalGas’s failure to include the outage duration for each event despite ALJ Ormond directing SoCalGas to include that information.⁴ Moreover, the framing of the reports appears intended to direct responsibility for all outages away from SoCalGas by neglecting to report SoCalGas’s contribution to any of the outages. For this reason, the reports should be viewed skeptically, and any information in the reports should be assumed to be, at best, incomplete. The following review provides detailed examples of Sierra Club’s concerns regarding the problematic nature of the reports.

II. SOCALGAS’S REPORTS INCLUDE ERRORS, OMISSIONS, UNSUPPORTED ASSERTIONS, AND MISLEADING NARRATIVES.

Sierra Club has numerous concerns regarding SoCalGas’s reports. First, regarding omissions,

¹ A.26-01-009, Email Ruling Memorializing Direction Provided at Workshop (Apr. 15, 2026).

² A.26-01-009, Compliance Filing of Southern California Gas Company (U904G) Regarding External Outages, (May 1, 2026) [hereinafter “SoCalGas External Outage Report”].

³ A.26-01-009, Compliance Filing of Southern California Gas Company (U904G) Regarding Outages Within Its Service Territory (May 15, 2026) [hereinafter “SoCalGas Internal Outage Report”].

⁴ Durations of the outages was reporting a metric requirement given by the assigned ALJ during the workshop. This issue will be discussed in more detail in subsequent sections of these comments.

during the Biennial Assessment Workshop, ALJ Ormond directed SoCalGas to include the durations of the reported outages. SoCalGas neglected to include this data. For example, the SoCalGas Internal Outage Report Appendix A and Appendix B neglect to list the start or end dates of the outage events. These appendices only list the year in which the event occurred. Parties are therefore unable to determine the impact of each event, including whether an event lasted one day or multiple years.

Second, regarding errors and unsupported assertions, SoCalGas provided general assertions with very limited data or citations to demonstrate the accuracy of the assertions. The two SoCalGas outage reports include minimal citations, including a combined total of seven footnotes. Additionally, some of SoCalGas's reports' claims conflict with SoCalGas's own data published on ENVOY, SoCalGas's digital bulletin board.⁵ SoCalGas provided no citations for gas prices, weather event descriptions, or SoCalGas's asserted causes of infrastructure outages.

Third, regarding misleading narratives, SoCalGas's event summaries lack any reference to SoCalGas's contribution to the respective events. Rather than acknowledge its own contributions to outages, SoCalGas deflected responsibility by attributing outage to infrastructure damage by "third parties or natural events."⁶ As Sierra Club has noted in this proceeding, the Commission's Safety and Enforcement Division ("SED") has found on multiple occasions that SoCalGas's negligence has caused major outages that impacted ratepayer safety and energy reliability. Two major outage events that SED attributed to SoCalGas's negligence are the Aliso Canyon Blowout⁷ and the 2017 rupture of Line 235.⁸

The October 1, 2017 Line 235 rupture and subsequent repairs took place over 6 years and featured prominently in the SoCalGas Internal Outage Report, but nowhere in SoCalGas's description does SoCalGas acknowledge SED's determination that SoCalGas caused the outage.⁹ SED identified five contributory causes attributable to SoCalGas: inadequate external, cathodic protection; coating damage during construction; failure to conduct a leak investigation; inadvisable pressure control; and

⁵ Details on this are provided in the subsequent section on SoCalGas's description of Winter Storm Elliott.

⁶ SoCalGas Internal Outage Report at 1 ("These outages and temporary pressure reductions may be necessary for many reasons, including mandated inspection and remediation work, repairs of damage caused by third parties or natural events, validation of operating pressure limits, and system improvements needed to respond to changes in demand, customer location density, compliance requirements, or system flexibility.")

⁷ 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>.

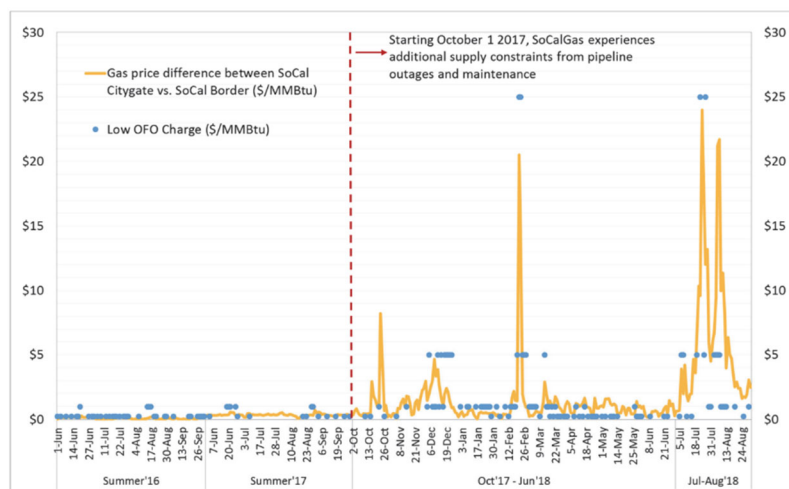
⁸ A.26-01-009, Sierra Club Comments in Response to Prehearing Conference Ruling (Mar. 27, 2026), Attachment A, Safety and Enforcement Division Line 235 Final Report – Redacted, Released Pursuant to CPUC Resolution L-571 (Oct. 25, 2018) (produced via a Public Records Act Request #18-300 to the CPUC in June 20, 2020 at <https://publicrecords.cpuc.ca.gov/requests/18-300>) [hereinafter "Sierra Club PHC Comments Attachment"].

⁹ SoCalGas Internal Outage Report at 3-4 (see heading "Northern Zone Maintenance, 2017 through 2023").

integration and mitigation failures.¹⁰ The rupture and explosion were caused by SoCalGas too, with local reporting of the initial incident showing the smoking remains of SoCalGas excavation equipment that SoCalGas personnel were operating at the site before the explosion.¹¹ Thankfully no one was physically injured.

Economic harm caused by Line 235’s rupture was extensive. According to the California Independent System Operator Corporation’s (“CAISO’s”) Department of Market Monitoring (“DMM”), gas prices spiked after the Line 235 outage, marked with a dotted red line in the figure below.¹²

Figure 1: Gas Price Difference Between SoCal Citygate and SoCal Border (\$/MMBtu) (Reprint of CAISO DMM Figure)¹³



SoCalGas’s 6-year delay in returning the pipeline “to full operating pressure”¹⁴ limited flowing supply to customers and tightened gas supply. The 2022-2023 winter gas price spike occurred during the 6-year period of Line 235’s reduced operating pressure. During just one month (Dec.) of the 2022-2023 winter price spike, Energy Division calculated that high gas prices increased electricity prices by \$4 billion dollars.¹⁵ The only way to mitigate future electricity price spikes is for California to transition

¹⁰ See Sierra Club PHC Comments Attachment (the actions listed by SED that contributed to and ultimately caused the L235 rupture were (1) inadequate external cathodic protection (2) coating damage during construction, (3) failure to conduct leak investigation (4) inadvisable control of pressure and (5) integration and mitigation failures).

¹¹ Gail Wesson, *Newberry Springs Gas Line Catches Fire, Destroys Heavy Equipment*, The Sun (Oct. 1, 2017), <https://www.sbsun.com/2017/10/01/newberry-springs-gas-line-catches-fire-destroys-heavy-equipment/>.

¹² A.14-06-021, Response to Joint Petition for Modification of the Department of Market Monitoring of the California Independent System Operator Corporation, at 3, Figure 1, (Sept. 4, 2018), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M236/K009/236009431.PDF>.

¹³ *Id.*

¹⁴ SoCalGas Internal Outages Report at 3-4.

¹⁵ I.23-03-008, Staff White Paper on High Natural Gas Prices in Winter 2022-23: Part II (Updated), at 36 (Oct. 28, 2025), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M585/K485/585485854.PDF> (“The high gas prices in

away from gas-fired generation. Not only will this reduce the cost of electricity, it will increase energy security, protect the California economy, and benefit public health.

Another conclusion to be drawn from the DMM figure is that a single major outage (Aliso Canyon) did not cause gas prices spikes, however after a second major outage (Line 235) – in addition to typical outages and pressure reductions – gas prices increased significantly. Again, SED found that both the Aliso Canyon Blowout and the Line 235 rupture were caused by SoCalGas negligence.¹⁶ SoCalGas should be required to update its reports to supply the Commission with data on any instances in which there have been findings – by SED or others – that SoCalGas negligence contributed to events of reduced gas supply that are documented in the SoCalGas reports.

In summary, the issues flagged in the examples above demonstrate the erroneous, incomplete, and skewed narratives included in SoCalGas’s outage reports. When considering the data in the outage reports, the Commission should complete its own due diligence and fact checking rather than take any of the report’s statements at face value.

III. DISCUSSION OF REPORT COMPONENTS

A. External Outage Report

1. Curtailment watches are undefined, lack quantitative documentation, and are not outages.

SoCalGas’s external outage report provides a list of curtailments and a list of curtailment “watches” that it claims are due to external outages.¹⁷ SoCalGas’s term “curtailment watch” is undefined in the report and is determined by SoCalGas without a quantitative methodology for determining when they are issued. Thus, the watches could be issued in response to unsubstantiated concerns, internal constraints, external constraints, or for any other reason. SoCalGas’s curtailment watches on their own are neither actual outages nor a useful metric by which to evaluate system reliability metrics.

2. The single curtailment in the external outage report was caused by unreliable Aliso Canyon performance.

SoCalGas’s External Outage Report lists only a single curtailment that it attributes to “events and

winter 2022-23 increased the wholesale electric costs of serving CAISO load substantially as illustrated in the following charts and narrative. As shown in Figure 13, CAISO wholesale day-ahead market costs were \$5 billion in December 2022 compared to \$1 billion in December of the previous and subsequent years. Moreover, daily wholesale market costs for all months during the winter of 2022-23 were elevated compared to previous and subsequent years, as shown in Figure 13 below, due to elevated natural gas prices and their effect on the wholesale electricity market.”)

¹⁶ Sierra Club PHC Comments Attachment at PDF p. 2-3.

¹⁷ SoCalGas External Outage Report at 5, 8.

outages outside of SoCalGas’s service territory.”¹⁸ From Feb 6-8, 2019, SoCalGas curtailed electric generation. This is SoCalGas’s summary of the event.¹⁹

February 6–8, 2019 — SoCalGas, Electric Generation. From February 6 at 12:00 AM through February 8 at 11:59 PM, SoCalGas issued a curtailment for electric generation customers under Rule 23 due to forecasted low temperatures and expected high customer demand. During this curtailment, electric generation customers were curtailed based on current day-ahead demand forecasts and weather conditions in coordination with the Balancing Authorities.

To attribute this curtailment to external events, SoCalGas notes that a polar vortex coincided with the SoCalGas-issued curtailment.²⁰ There are several items to unpack about SoCalGas’s claim. First, dedicating just two sentences to the *only* curtailment in the last 10 years that SoCalGas attributes to external events – plus a longer description of general weather outside of SoCalGas territory – provides very little context or basis for the Commission to interpret. Second, SoCalGas makes no mention of its own Aliso Canyon withdrawal notification that corresponded with the event and which provides significant additional information regarding events that caused the curtailment.²¹

The following description provides additional data on the incident and provides a more complete picture of the numerous *internal* contributors to the single curtailment event listed in the SoCalGas External Outage Report. During the winter of 2018-2019, the Commission restricted Aliso Canyon to 34 billion cubic feet (“Bcf”) due to the Aliso Canyon Blowout caused by SoCalGas. Just before the curtailment, on February 4, 2019, Aliso Canyon inventory was at 30.416 Bcf.²²

In addition to lower gas inventory levels, the local temperatures in February 2019 were very low. February 2019 was the coldest February since 1962,²³ and February 6th and 7th (i.e., two of the three curtailment days) were the two days that month with the coldest system average temperatures.²⁴ Even though Aliso Canyon inventory was below 31 Bcf, on February 5, 2019, SoCalGas further reduced Aliso Canyon withdrawal capacity by 420 million cubic feet per day (“MMcfd”), “due to unplanned repairs.”²⁵

¹⁸ *Id.* at 17.

¹⁹ *Id.* at 20.

²⁰ *Id.* at 6-8.

²¹ SoCalGas, *Aliso Canyon Withdrawal Notification*, https://www.cpuc.ca.gov/-/media/cpuc-website/files/uploadedfiles/cpucwebsite/content/news_room/newsupdates/2019/alisowithdrawalsnotification02-10-2019c.pdf [last updated Mar. 22, 2019] [hereinafter “SoCalGas 2-10-19 ACWN”].

²² SoCalGas 2-10-19 ACWN at 7.

²³ Alejandra Reyes-Velarde, *February Is Coldest in Los Angeles in Nearly 60 Years*, Los Angeles Times (Feb. 25, 2019), <https://www.latimes.com/local/lanow/la-me-ln-cold-february-20190225-story.html>.

²⁴ SoCalGas 2-10-19 ACWN at 6.

²⁵ *Id.* at 2.

It is not a coincidence that on that same day SoCalGas “[i]ssued a curtailment of electric generation, in accordance with Rule 23, effective from February 6, 2019 at 12:00 AM until further notice.”²⁶

On February 7, 2019, SoCalGas completed a “temporary repair at Aliso Canyon [that] restored 200 MMCFD of its withdrawal capacity.”²⁷ On February 8, 2019, SoCalGas “[n]otified customers that the system-wide curtailment watch and the Rule 23 curtailment of electric generation would end on February 8, 2019 at 11:59 PM.”²⁸ During the February cold snap, from Feb. 4-24, 2019, SoCalGas’s Receipt Point Utilization (“RPU”) *averaged* 93%, which demonstrates the ability of customers to schedule flowing gas supply at a significantly higher percentage than the conservative modeling requirements for biennial assessments.²⁹

A key takeaway from this curtailment event is that significantly reduced withdrawal capacity due to unplanned repairs on the coldest day in decades did not impact electric reliability. During SoCalGas’s curtailment of electric generation from Feb. 6-8, 2019, *CAISO served 100% of electric demand*. CAISO did not issue an alert, warning, or emergency during any February 2019 day.³⁰ CAISO did not even recommend voluntary conservation (i.e., a flex alert).³¹

In summary, the only curtailment event listed in SoCalGas’s External Outage Report coincided with the following *internal* events: (1) 60-year low temperature in Los Angeles and (2) an unplanned outage at Aliso Canyon that further restricted gas withdrawals from a much lower baseline than is available in 2026. These events caused SoCalGas to issue a curtailment of electric generators. Despite the curtailment of gas to electric generators, CAISO served all customer demand.³²

One last note on this incident, despite three years of research, scrutiny, and repairs to Aliso Canyon between the 2015 blowout and the 2019 curtailment event, SoCalGas failed to operate Aliso Canyon reliably through the peak gas demand season. This should give the Commission pause as to the ability of SoCalGas to operate its system reliably and provides another reason for the Commission to accelerate procurement of renewable electricity generation and electrification of gas demand. Far from being a curtailment caused by external events, the Feb. 2019 curtailment is directly attributable to

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.* at 8.

³⁰ CAISO, *Grid Emergencies History Report*, at 143-145 (Apr. 14, 2026), <https://www.caiso.com/documents/grid-emergencies-history-report-1998-to-present.pdf>.

³¹ *Id.*

³² *Id.*

SoCalGas’s failure to maintain its infrastructure and to the unreliable nature of Aliso Canyon.

3. SoCalGas’s report fails to link the impact of external weather events to reliability of gas supply.

The SoCalGas External Outage Report lists several weather events outside of California and the corresponding low RPU in SoCalGas territory. As Sierra Club has noted previously, low RPU can occur for several reasons including low gas demand. As the clean energy transition continues, the RPU in SoCalGas territory will continue to fall. Indeed, the Commission should anticipate a lower system average RPU every year until California meets its policy goal to “[a]chieve net zero greenhouse gas emissions as soon as possible.”³³ Moreover, neither of the metrics used to calculate RPU (i.e., natural gas supplies received and the SoCalGas’s capacity to receive supplies) demonstrate whether gas supply is available at receipt points. At no point in either of SoCalGas’s two outage reports does SoCalGas quantify the *availability* of gas supply at its receipt points. While Sierra Club agrees that SoCalGas’s data demonstrates the unreliable nature of gas supply and substantial energy security risks posed by continued use of out-of-state gas supply, the Commission should not use RPU data as a quantification of the impact of external events.

4. SoCalGas’s outage reports contradicts ENVOY data yet still demonstrates additional Aliso Canyon inventory is not needed.

SoCalGas’s review of the various external weather events should be viewed with skepticism because the narratives provide minimal data and do so without citation. Moreover, Sierra Club’s preliminary spot checks revealed data errors in the report. For example, SoCalGas External Outage Report includes a section on Winter Storm Elliott.³⁴ This section asserts that “[d]uring the peak period from December 22 through 25, 2022, system RPU fell to a low of 65% and 1.2 Bcf of gas supply was withdrawn from storage.”³⁵ In contrast, SoCalGas’s ENVOY data lists 1.089 Bcf of net withdrawals from Dec 22 through Dec 25.³⁶ Either SoCalGas’s External Outage Report is inaccurate or SoCalGas’s ENVOY data is inaccurate.

Just as importantly, total storage withdrawal capacity during Winter Storm Elliot was sufficient

³³ Health and Safety Code § 38562.2(c)(1) (“It is the policy of the state to... [a]chieve net zero greenhouse gas emissions as soon as possible, but no later than 2045[.]”), https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=HSC§ionNum=38562.2.

³⁴ SoCalGas External Outage Report at 10-11.

³⁵ *Id.* at 10.

³⁶ SoCalGas ENVOY, Daily Operations Data, December 2022 https://www.socalgas-envoy.com/index.jsp#nav=/Public/ViewExternalArchive.showArchive?archiveType=daily_operations [last visited May 27, 2026].

to meet demand *even though* SoCalGas limited withdrawal capacity and the Aliso Canyon Withdrawal Protocol limited withdrawal capacity during that time. SoCalGas’s *non-Aliso* storage facilities have a total storage withdrawal capacity of approximately 1.8 Bcf per day,³⁷ plus Aliso Canyon has a storage withdrawal capacity of 1.86 Bcf per day.³⁸ SoCalGas ENVOY shows SoCalGas significantly limited its storage withdrawal capacity from Dec. 22-25 which dropped the average gas storage withdrawal availability to 1.29 Bcf per day.³⁹ SoCalGas’s total storage withdrawal on those days was just 21% of its total available withdrawal capacity on those days,⁴⁰ yet it still managed to meet customer demand. In summary, during a winter storm and surging core procurement prices, SoCalGas constrained its storage withdrawal capacity and still met customer demand, undercutting SoCalGas’s argument that additional storage capacity is needed at Aliso Canyon.

Furthermore, the Winter Storm Elliot experience further demonstrates that SoCalGas does not operate its gas facilities effectively during winter peaks to reduce customer gas prices. During that storm, SoCalGas’s average core procurement cost for December reached \$34/dekatherm, which was charged to ratepayers in January 2023. Sierra Club completed a more extensive multi-year analysis in another proceeding which also indicates that SoCalGas’s storage operations are not conducted to minimize customer gas prices, but rather followed its normal operating patterns and failed to use other resources to reduce winter 2022-2023 gas prices.⁴¹

5. Low Operational Flow Orders demonstrate the need for more stringent gas-flow scheduling requirements.

SoCalGas issues low operational flow orders (“OFO”) when “the system forecast of storage withdrawal used for balancing exceeds the withdrawal capacity allocated to the balancing function.”⁴² In the reports, SoCalGas does not explicitly state why it included data regarding days when low OFOs were issued. The OFO data in the report appears to show that in recent years SoCalGas customers have

³⁷ California Energy Commission (“CEC”) Docket 22-OII-02, TN # 268374, 268373, 268371, Form CEC-1314 - 2025 Q4 - SCG - Honor Rancho, Playa del Rey, La Goleta (Jan. 30, 2026), <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?doctetnumber=22-OII-02>.

³⁸ CEC Docket 22-OII-02, TN # 268372, Form CEC-1314 - 2025 Q4 - SCG - Aliso Canyon (Jan. 30, 2026), <https://efiling.energy.ca.gov/GetDocument.aspx?tn=268372&DocumentContentId=105564>.

³⁹ SoCalGas ENVOY, Capacity Utilization Data, December 2022, <https://www.socalgas-envoy.com/index.jsp#nav=/Public/ViewExternalArchive.showArchive?archiveType=capacity> [last visited May 27, 2026].

⁴⁰ $1.089 \text{ Bcf} / (4 \text{ days} \times 1.29 \text{ average Bcf daily withdrawals}) = 0.211047 = 21\%$.

⁴¹ I.23-03-008, Sierra Club Comments, at 5-9, Sections II.B.1 and II.B.2 (July 7, 2025), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M572/K574/572574978.PDF>.

⁴² SoCalGas, *Winter Preparation Guide for Transportation-Only Customers and California Producers*, at 1 (Nov. 2025), <https://www.socalgas.com/sites/default/files/2025-11/SoCalGas-Winter-Preparation-Guide.pdf>.

relaxed their efforts to align their daily gas scheduling with their daily demand and instead have attempted to rely on unpurchased storage capacity to balance daily supply. This casual attitude toward gas scheduling unnecessarily increases storage reliance. While gas scheduling may not be perfect, the amount of storage needed for balancing could be significantly reduced if gas customers were required to more closely align gas scheduling with gas demand. A high number of low OFO days suggests unnecessary use of gas storage.

B. SoCalGas Internal Outage Report

As noted at the outset of these comments, the reports have a number of surprising omissions, errors and unsupported assertions. While there is limited space to examine each in detail, here are a few of the more surprising omissions.

- There was no mention of which outages in the SoCalGas Internal Outage Report’s Appendices could be mitigated through gas withdrawals and which outages could not be. However, it appears that several outages listed in the report would be unavoidable even with maximum storage withdrawals. For example, the Imperial Valley scenario, the North Coastal Zone scenario, and the San Joaquin Valley scenario fit in this category.⁴³
- There was no mention of the mostly untapped receipt capacity (400 MMcfd) from Mexico through the Otay Mesa receipt point. As an interesting side note, imports from that receipt point would compete with Sempra’s Energia Costa Azul.
- There was no mention of which outages were caused by SoCalGas’s actions or negligence.

And a surprising *inclusion* in the report:

- At the end of the report, SoCalGas expresses concern that if both line 6902 and 6001 were to be shut in at the same time, that it would not be able to serve an “international wholesale customer in Mexicali.”⁴⁴ It appears that the Mexican wholesale customer to which SoCalGas refers is a gas-fired powerplant owned by its parent company Sempra.⁴⁵ It is incongruous that SoCalGas expresses concern about supplying a Sempra gas plant while noting that Sempra’s Energia Costa Azul liquid natural gas export facility will compete with SoCalGas customers for a much larger share of the available gas supply.

Just as with the SoCalGas External Outage Report, the Commission should use the included data only after completing its own due diligence by checking SoCalGas’s assertions.

IV. CONCLUSION

Without justification, SoCalGas’s Application asserted a need to consider an increase in storage

⁴³ See SoCalGas Internal Outage Report at 8-9, 11 (San Joaquin Valley, North Coastal Zone, and Imperial Valley are mentioned on pages 8, 8-9, and 11, respectively).

⁴⁴ *Id.* at 11.

⁴⁵ Sempra Infrastructure, *Termoeléctrica de Mexicali* (Aug. 2024), <https://semprainfraestructure.com/wp-content/uploads/2024/08/Termoelctrica-de-Mexicali-Ing.pdf>.

capacity at Aliso Canyon.⁴⁶ Similarly, SoCalGas outage reports repeatedly asserted gas storage needs, but failed to provide the Commission with reasonable or accurate analyses to quantify that need, much less determine whether Aliso Canyon’s storage capacity is needed.

In contrast to the SoCalGas’s analyses, the 2025 Biennial Assessment finds that only 44% (30.2 Bcf) of Aliso Canyon capacity is needed to maintain gas reliability.⁴⁷ Moreover, the Biennial Assessment’s findings are conservative because Energy Division was required to use a series of extreme-scenario inputs for its modeling including (1) SoCalGas’s inaccurately high 1-in-10 gas demand forecast,⁴⁸ (2) RPU’s 10% below the average RPU recorded during high-demand days,⁴⁹ and (3) pipeline derates that reduce the Northern Zone pipeline flowing capacity by 41%.⁵⁰ Each of these three required inputs for the biennial assessments rarely occur. By assuming the overlap of all three inputs, the 2025 Biennial Assessment modeling results ensure gas supply for a scenario so extreme that *the scenario has never occurred*. Thus, the Commission can confidently reduce the Aliso storage capacity by 38 Bcf or, at a minimum, by the lesser amount of 10 Bcf,⁵¹ which was the maximum reduction that D.24-12-076 allowed Energy Division to recommend within biennial assessments.⁵²

⁴⁶ A.26-01-009, SoCalGas Application, at 8 (Jan. 15, 2026).

⁴⁷ CPUC Energy Division, *2025 Aliso Canyon Biennial Assessment Report Pursuant to D.24-12-076*, at 12, Table 4 (Oct. 1, 2026), https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/natural-gas/aliso-canyon/2025_aliso_canyon_biennial_assessment.pdf [hereinafter “2025 Biennial Assessment”].

⁴⁸ See A.26-01-009, Sierra Club Comments in Response to Aliso Canyon Biennial Assessment Workshop, at 6-8, Figure 1 (Apr. 28, 2026) (Sierra Club’s analysis shows actual gas demand has only exceeded SoCalGas’s 1-in-10 peak demand forecast once in the 22 years of data available for review at that time. Since Sierra Club’s April 28, 2026, comments, SoCalGas has supplied an additional 4 years of demand data, but claimed that it does not have data prior to 2001 stating in its Second Supplemental Response Sierra Club’s data request 1-12 that “[t]otal daily customer demand data prior to 2001 has not been identified.” Thus, in SoCalGas’s recorded demand data of 26 years, the 1-in-10 peak demand has been exceeded only a single time. Thus, it is exceptionally unlikely that SoCalGas’s 1-in-10 peak demand is an accurate forecast of a 1 day -in-10 year probability gas demand).

⁴⁹ I.17-02-002, FTI/Gas Supply Consulting, Aliso Canyon OII Phase 3 Research, Workstream #2 Approach: Portfolios Framework and Research Methods, at 33 (Mar. 30, 2021), <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M606/K266/606266333.PDF> (FTI, the Commission’s consultant in I.17-02-002 found that the average RPU during high gas demand days over three winter seasons was 95.69%, which is 10% higher than the requirements for Aliso Canyon biennial assessments).

⁵⁰ See 2025 Biennial Assessment at 10, Table 2 (2025-2026 Derate Capacity 935 MMcfd out of a nominal capacity of 1,590 MMcfd); $(1 - (935 \text{ MMcfd} / 1590 \text{ MMcfd}) = 0.4119 = 41\%)$.

⁵¹ *Id.* at 29.

⁵² D.24-12-076, *Decision Adopting Biennial Assessment Process*, at 51 (Dec. 19, 2024), <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M551/K009/551009286.PDF>.

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