

California Public Utilities Commission

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PRESS RELEASE

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CPUC CONTINUES TO SUPPORT CONSERVATION EFFORTS TO ENSURE RELIABLE ENERGY TO SOUTHERN CALIFORNIA FOLLOWING ALISO CANYON LEAK

SAN FRANCISCO, April 21, 2016 - The California Public Utilities Commission (CPUC) today continued its efforts to ensure reliable natural gas and electricity supply to areas impacted by Southern California Gas Company's (SoCalGas) Aliso Canyon Storage Facility leak by authorizing funding for education and outreach activities and by enhancing energy efficiency deployment to low income households in efforts to increase gas and electricity conservation.

Earlier this month, the CPUC, the California Energy Commission, the California Independent System Operator, and the Los Angeles Department of Water and Power released an action plan to help preserve reliability of electrical service this summer in the greater Los Angeles area following the Aliso Canyon leak. A technical assessment by the four agencies found that, without any use of Aliso Canyon gas supplies, the region faces up to 14 days this summer with gas shortages to electrical power plants that could be large enough to interrupt electrical service to utility customers.

The action plan included multiple conservation efforts. Today the CPUC moved forward with two of those efforts. The CPUC authorized SoCalGas to provide up to \$11 million in funding for education and outreach activities in the Los Angeles Basin in 2016 for the purpose of reducing the risk of natural gas and electricity curtailments this year by increasing conservation and energy efficiency. Of this funding, \$5 million will be used to support paid Flex Alert advertising by the California Independent System Operator, focused on customers in the Los Angeles area. SoCalGas is

authorized to spend up to an additional \$6 million to implement a targeted education and outreach campaign. Said Commissioner Carla J. Peterman, the Commissioner assigned to the education and outreach proceeding, "A critical component of the action plan is increased customer energy efficiency and conservation of both gas and electricity, which could make a significant contribution to ensuring reliability. Two programs within our jurisdiction, the Flex Alert program and state-level and utility administered education and outreach programs, are well-positioned to encourage increased energy efficiency and conservation efforts in the Los Angeles area this year."

In a separate order, the CPUC also directed SoCalGas and Southern California Edison to take immediate steps to enhance their low income energy efficiency programs by redirecting approximately \$145 million to low income customers in the Los Angeles region and making rule changes that will lead to a goal of reducing demand in the impacted households by 10 percent. The program, Energy Savings Assistance Program (ESAP), provides no-cost weatherization services to low income households who meet income guidelines. Today the CPUC directed SoCalGas and Southern California Edison to intensify existing program efforts in the geographic regions most impacted by the natural gas leak, to suspend certain administrative rules to facilitate near-term electric and natural gas savings, and to utilize underspent and unspent funds already collected from consumers for the emergency response effort related to Aliso Canyon. Said Commissioner Catherine J.K. Sandoval, the Commissioner assigned to the ESAP proceeding, "I am deeply concerned that any electric curtailments will have a disproportionate impact on low income communities. Since the statutory mandate is to 'reduce energy hardships facing low income customers' and this program has a long history of improving the health, comfort, and safety of low income customers, it is appropriate to use this program as part of the CPUC's overall emergency response strategy. There is an existing pipeline of approved measures and contractors; the utilities should be able to quickly focus their efforts in the Los Angeles basin, Orange County, and Ventura County."

The education and outreach proposal approved is available at: http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M159/K711/159711644.PDF.

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