

California Public Utilities Commission

505 Van Ness Ave., San Francisco

FOR IMMEDIATE RELEASE

ъ

PRESS RELEASE

Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

Docket #: A.13-12-013

CPUC DENIES SOCALGAS REQUEST TO BUILD NORTH-SOUTH PIPELINE PROJECT

SAN FRANCISCO, July 14, 2016 - The California Public Utilities Commission (CPUC) today denied the request of Southern California Gas Company to build the North-South Pipeline Project because there are more cost-effective alternatives for supporting the utility's southern natural gas system.

As proposed by SoCalGas, the \$621.3 million North-South Pipeline would have consisted of a new natural gas pipeline between the town of Adelanto and the Moreno Pressure Limiting Station, as well as rebuilding the Adelanto Compressor Station, in part, to increase reliability by allowing the Honor Rancho, a storage field on the northern system, to help support deliveries on the southern system.

Because of the leak at Aliso Canyon, there is little stored gas available on the northern system to support deliveries on the southern system, a situation that significantly reduces the value of a new north-to-south pipeline, particularly in light of lower cost alternatives. The CPUC determined that without considering the developments at Aliso Canyon, there are multiple alternatives to the North-South Pipeline that could reliably deliver additional gas supplies to the southern system at much lower cost than the proposed pipeline.

"The basic issue is whether it is in the public interest to construct the North-South Pipeline Project," said Commissioner Mike Florio, who is assigned to the proceeding. "SoCalGas was unable to demonstrate that there is a need for the North-South Project given that it would not bring additional gas into Southern California but merely provide a means for reallocation of existing supply."

The proposal voted on is available at:

http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M164/K007/164007301.PDF.

For more information about the CPUC, please visit www.cpuc.ca.gov.

###