



California Public Utilities Commission
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PRESS RELEASE

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CPUC Establishes Clear Path to Consider Reducing and Eliminating Reliance on Aliso Canyon Natural Gas Storage Facility

SAN FRANCISCO, Dec. 19, 2024 – The California Public Utilities Commission (CPUC) today established a transparent pathway to reassess the need for Southern California Gas Company’s (SoCalGas) Aliso Canyon Natural Gas Storage Facility while maintaining reliability and reasonable rates as demand for natural gas declines.

Today’s decision establishes for the first time a specific natural gas peak day demand target, which is the level at which Southern California natural gas demand can be served without Aliso Canyon. When forecasted peak day demand for two years out decreases to the target level and an assessment shows that Aliso Canyon could be closed without jeopardizing reliability or just and reasonable rates, the CPUC will open a proceeding to review the assessment’s conclusions and address any relevant issues related to permanent closure and decommissioning.

“This decision puts forward a path to the closure of Aliso Canyon that is achievable, realistic, and protective of families and businesses who are struggling to pay energy bills,” said CPUC President Alice Reynolds. “Huge progress is underway to bring online clean energy resources and drive down demand for natural gas-fired power plants. There also are over a dozen local, regional, and federal incentive programs for electric appliances in Southern California—the more consumers reduce use of natural gas, the faster Southern California will reach the natural gas target established in this decision.”

Natural gas demand in Southern California is currently on a downward trajectory due to California’s climate goals and state policies, including the procurement of historic amounts of renewable electricity that reduce dependency on natural gas-fired power plants. Natural gas demand for homes and

businesses, however, has increased overall in Southern California since the leak. There are currently over a dozen building decarbonization programs available to customers in Southern California that provide different types of incentives for customers to replace natural gas appliances with electric ones. Customer choice will play a key role in how fast Southern California reaches the target level, since residents and small businesses make up the majority of demand on peak winter days.

The Proposed Decision does the following:

- Establishes a process for incremental reductions of Aliso Canyon inventory if reliability and reasonable rates can be maintained as Southern California moves closer to the natural gas peak demand target.
 - The CPUC will issue biennial assessments beginning in June 2025 that will include a recommendation for the appropriate Aliso Canyon inventory based on natural gas demand levels and reliability and economic analysis.
 - When the peak day demand forecast for two years out decreases to the target level of 4,121 million cubic feet per day and the biennial assessment shows that Aliso Canyon could be closed without jeopardizing reliability or just and reasonable rates, the biennial report will recommend opening a proceeding to review the conclusions of the assessment and address any relevant issues related to permanent closure and decommissioning.
- Adopts a portfolio of carbon neutral resources, including renewable electricity generation and storage, energy efficiency, and building decarbonization, for use in tracking and evaluating replacement of the services currently provided by Aliso Canyon.

More Information

- [Fact Sheet](#)
- [Proposal Approved](#)
- [Proceeding Information](#)
- [Docket Card](#)

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About the California Public Utilities Commission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit www.cpuc.ca.gov for more information.