

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 1, 2016

Roger R. Schwecke
Vice President Transmission and Storage
Southern California Gas Company
555 W. 5th Street
Los Angeles, CA 90013

Re: Authorization to Perform Flow Testing on Specified Wells at Aliso Canyon Storage facilities

Dear Mr. Schwecke:

In a letter dated July 28, 2016, Southern California Gas Company (SoCal Gas) seeks authority to perform flow testing on specified wells at Aliso Canyon for the purpose of developing a more accurate estimate of potential withdrawal capabilities at the Aliso Canyon Storage facility.

Given the fact that SoCalGas cannot forecast the current withdraw capacity of the currently available wells with complete accuracy, this flow testing will allow SoCal Gas to comply with the instruction in Director Sullivan's letter of June 15, 2016 to maintain a minimum withdrawal capability of 420 MMCF per day at Aliso Canyon required to reduce Summer energy reliability risks to Southern California.

The California Public Utilities Commission (CPUC) and the Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR) authorize SoCal Gas to conduct flow testing on wells where SoCal Gas already has authority to withdraw gas either because the wells have passed all testing required by DOGGR in accordance with SB 380, or because the wells have passed phase one tests and are determined to be needed to meet reliability (17 specific wells). Prior to conducting the flow testing, SoCal Gas shall confirm with DOGGR that the wells are fit for withdrawal purposes.

This letter does not authorize SoCal Gas to inject gas into any well in Aliso Canyon Storage facilities. Also, previous directives from CPUC and DOGGR on this matter are still in effect.

Sincerely,

A handwritten signature in blue ink, appearing to read "Timothy J. Sullivan".

FOR TIMOTHY SULLIVAN

Timothy J. Sullivan
Executive Director