

Aliso Canyon Winter Withdrawal Protocol - Winter 2016/2017

Introduction:

This protocol shall be used to provide the SoCalGas System Operator the flexibility to utilize all the tools needed to safely and reliably operate the SoCalGas natural gas pipeline system for the winter 2016/2017 operating season. Winter gas demand on the SoCalGas system is significantly higher than summer demand and driven by cold weather, where 60% of the total gas demand comes from residential heating load (core). As found in the Winter Action Plan, electric system reliability can be achieved with -96 MMCFD of local generation in the winter season if transmission import capacity and external generation is available. SoCalGas uses gas storage in conjunction with pipeline capacity to meet the day to day needs of higher winter demand; leveraging all of its storage assets (including Aliso Canyon) as a critical source of winter supply used to meet demand during multi-day cold periods and managing peak hour demand throughout the day.

Aliso Canyon Winter Withdrawal Protocol:

1. This protocol shall be in effect until such time that injection operations are allowed to commence at Aliso Canyon, and a field inventory of at least 20 billion cubic feet (BCF) is achieved. Once these two requirements are met SoCalGas can manage the use of the field independent of the protocol provided that injection capacity remains available.
2. SoCalGas shall execute a withdrawal from Aliso Canyon consistent with this protocol and with Section 3217 (i)(1) in order to maintain reliability, including in an emergency condition where gas reliability is at risk or electric load shed is imminent.
3. Withdrawals shall be made consistent with safe operation of the field and the system and in compliance with any mandated protocols for production from the field.
4. SoCalGas shall utilize all available tools to manage reliability as needed including:
 - ◆ its regulatory tools ; High/Low OFO, EFO, and curtailment rules in accordance with its tariffs to manage reliability as needed.
 - ◆ SoCalGas measures to reduce gas usage – demand response and cold weather gas messaging
 - ◆ Withdrawing gas from Aliso if the EG demand on the SoCalGas & SDG&E system load cannot be reduced to at least 96 MMCFD, as per the Aliso Canyon Risk Assessment Technical Report - Winter Assessment.
5. SoCalGas shall maintain the Aliso Canyon field on a standby basis as forecasted conditions warrant. SoCalGas shall take all actions necessary to allow for and to make timely withdrawals consistent with current and forecast conditions and in response to the risk of curtailments and system reliability.

6. SoCalGas shall continue to regularly communicate with the Balancing Authorities, LADWP and CAISO throughout the winter operating season regarding system constraints and operations that may impact reliability. In addition, SoCalGas shall notify the Energy Division of the CPUC as soon as practicable upon a withdrawal from Aliso Canyon (other than for withdrawals specifically approved - .e.g. flow testing) and shall within one business day following the cessation of a withdrawal from Aliso Canyon shall provide the Energy Division of the CPUC:
 - ◆ the amounts withdrawn from the field
 - ◆ the number of wells used for making withdrawals
 - ◆ the rates(s) (mmcf/hour) at which withdrawals were made over the duration of the withdrawal
 - ◆ the post withdrawal Aliso gas inventory
 - ◆ information concerning any anomalies experienced during the operation of the field
 - ◆ any repairs or mitigation required as a result of the withdrawal, including the time necessary to make them before another withdrawal can be made

7. Notwithstanding any of the above, this protocol and or its provisions may be extended beyond the 2016/2017 winter operating season or otherwise revised as determined necessary by the California Public Utilities Commission.