

R. Rex Parris Mayor Marvin E. Crist Vice Mayor Ken Mann Angela E. Underwood-Jacobs Raj Malhi Council Member Mark V. Bozigian City Manager

December 4, 2015

California Public Utilities Commission San Francisco Office (Headquarters) 505 Van Ness Avenue San Francisco, CA 94102

To Whom It May Concern:

I am writing to you as the Mayor of the City of Lancaster, regarding the Southern California Gas Company's Aliso Canyon gas storage facilities leak. More than a month ago, a massive escape of natural gas into the atmosphere was identified as the source of ongoing harmful effects to citizens living in the Los Angeles – Porter Ranch area; the immediate symptoms being dizziness and headaches, which will result in more severe health issues for those families exposed to this environmental disaster. In full disclosure, in addition to voicing my concerns regarding my constituents having to pay for this disaster; I am also an attorney representing many of these families in a lawsuit regarding this matter.

As Mayor of the City of Lancaster, a neighboring community in the northern Los Angeles County region, I am dismayed and appalled by Southern California Gas Company's (SCG) lack of due diligence in complying with federal and state laws for injection wells. This is compounded by the fact these wells are in communities were families live, work and go to school. Undeniably, SCG's actions were remiss, and yet, the company is exacerbating the situation further by delaying to resolve this detrimental issue, which is estimated to continue for at least another four months.

The scenario above is reason enough for all of us to be deeply concerned about the business practices of SCG, particularly given the unstable state of our environment, as evidenced by accelerating climate and health issues. However, upon learning that SCG additionally plans to pass along the costs associated with this gas leak, which resulted from **SCG's** negligent and illegal behavior, to local ratepayers; and upon reviewing the California Public Utilities Commissions' (CPUC) history of allowing the cost of such agency blunders to be passed to and absorbed by the faultless citizen ratepayers; I am moved to request that the CPUC issue an Order Instituting Investigation (OII) into the management of Southern California Gas's Aliso Canyon gas storage facilities, and disallow SCG from passing along **any of the costs associated with correcting and mitigating this gas leak** to its ratepayers.

SCG's pending request to raise rates to finance the upgrading of its natural gas storage facilities is simply a means for the company to avoid taking responsibility for its unethical implementation of the Aliso Canyon project. SCG is essentially asking citizens to turn the other



cheek and accept another slap from fossil fuel energy companies by being both the victims and the scapegoats.

This is a shameful common practice of utility companies who garner enough shareholder earnings to cover their management and operational errors, but refuse to do the right thing. One such case was the 2010 San Bruno pipeline explosion, which resulted in PG&E Corporation and Pacific Gas and Electric Company passing on \$1.6 billion in penalties, fines and remedies mandated by the CPUC to ratepayers.

According to a release from last month, for the first nine months of 2015, Sempra Energy's (Southern California Gas parent company) earnings were \$980 million. Therefore, beyond the sheer immorality of forcing ratepayers to pay for SCG's negligence, it is not even financially necessary in order to fix the existing problem.

Unfortunately, ratepayers have little to no personal recourse in matters such as these. Their voices go unheard or ultimately ignored, if they are even granted the knowledge of all the debauchery which impacts their rate increases. Fortunately, I know there are still community leaders who object to such conniving practices and, instead, support due diligence, as well as fairness for citizens.

Please do the right and just thing – hold Southern California Gas Company responsible for its failure to follow proper protocol. By not implementing an Environmental Impact Report in the first place, SCG has endangered citizen lives and compromised environmental integrity. Don't let them create more harm by making others pay for their horrific mistakes.

Sincerely,

R. Rex Parris, Mayor City of Lancaster, CA