

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 24, 2016

Rodger R. Schwecke
Vice President Transmission and Storage
Southern California Gas Company
555 W. 5th Street
Los Angeles

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

Dear Mr. Schwecke:

On August 1, 2016 the Commission gave authority to Southern California Gas Company (SoCal Gas) 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. The improved estimates will allow SoCal Gas to determine the number of wells necessary to maintain the minimum withdrawal capability of 420 MMCF per day as required in Director Sullivan's letter of June 15, 2016.

SoCal Gas is currently seeking an extension of that authority to perform flow tests on DOGGR approved wells with the objective of improving the withdrawal capacity of these wells. Improved withdrawal capacity will further assure that the required minimum withdrawal capacity of 420 MMCF per day can be met.

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 including additional flow testing of wells previously flow tested, on where SoCal Gas already has authority to withdraw gas because the wells have passed all testing required by DOGGR in accordance with SB 380. Prior to any additional 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,

Handwritten signature of Timothy J. Sullivan in blue ink.

Timothy J. Sullivan
Executive Director