



California ISO
Shaping a Renewed Future



February 1, 2016

The Honorable Edmund G. Brown Jr.
State Capitol Building, 1st Floor
Sacramento, CA 95814

Dear Governor Brown:

The California Energy Commission, California Public Utilities Commission, and the California Independent System Operator are writing regarding the Emergency Proclamation you issued on January 6, 2016, relating to the gas leak from the Aliso Canyon gas storage facility. The Proclamation called on us to work together and “take all actions necessary to ensure the continued reliability of natural gas and electric supplies during the moratorium on gas injections into Aliso Canyon.”

The immediate issue has been gas system reliability for core customers, which we are working to ensure reliable gas for the rest of winter given the field’s current 15 billion cubic feet of working gas. Our shared concern is electric system reliability for this summer, and both gas and electric system reliability for next winter and beyond in the event injections cannot resume.

The nexus between the gas and power systems in the Los Angeles Basin is a complex problem to assess given the constraints on gas deliveries, rapid changes in electricity demand that occur every day, and electric transmission constraints that limit electricity imports into the area. We have created a team to perform the studies that includes our experts and those of the Los Angeles Department of Water and Power and SoCalGas Company. There is good reason to be concerned that reliability of supply may be critical for electric generators in the LA Basin, especially those serving LADWP. We expect to complete the work related to summer 2016 by April when we will hold a public, joint agency workshop in Los Angeles to describe the reliability risks and present a reliability action plan for mitigating them. Of course, we will take action immediately as effective mitigation is identified. We look forward to working with the City of Los Angeles, South Coast Air Quality Management District, and other public agencies affected by this issue.

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This matter is critical to public health and safety, and has our full attention. We are bringing the same urgency and attention to this as we did when faced with the unexpected closure of the San Onofre Nuclear Generating Station. Our organizations worked together effectively then, and we will again.

Thank you for entrusting us with this responsibility.

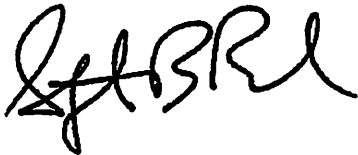
Sincerely yours,



ROBERT B. WEISENMILLER
Chair
California Energy Commission



MICHAEL PICKER
President
California Public Utilities Commission



STEPHEN BERBERICH
President and Chief Executive Officer
California Independent System Operator

cc: *Transmitted via email*

Senator Pro Tempore, Kevin de León, 24th Senate District

Speaker of the Assembly, Toni G. Atkins, 78th Assembly District

Speaker-Elect of the Assembly, Anthony Rendon, 63rd Assembly District

Senator Fran Pavley, 27th Senate District

Assembly Member Wilk, 38th Assembly District

Senator Ben Hueso, Chair of Energy, Utilities and Communications Committee, 40th Senate District

Mike Gatto, Assemblymember and Chair of Utilities and Commerce Committee, 43rd Assembly District

Eric Garcetti, Los Angeles Mayor

Hilda L. Solis, First District Los Angeles Board of Supervisors

Mark Ridley-Thomas, Second District Los Angeles Board of Supervisors

Sheila Kuehl, Third District Los Angeles Board of Supervisors

Don Knabe, Fourth District Los Angeles Board of Supervisors

Michael D. Antonovich, Fifth District Los Angeles Board of Supervisors

Gilbert Cedillo, District 1 of Los Angeles City Council

Paul Krekorian, District 2 of Los Angeles City Council

Bob Blumenfield, District 3 of Los Angeles City Council

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Joe Buscaino, District 15 of Los Angeles City Council
Mary Nichols, Chairman, California Air Resources Board
Marcie L. Edwards, General Manager of Los Angeles Department of Water and Power
Dennis Arreola, Chief Executive Officer, Southern California Gas Company
Pedro Pizzaro, President, Southern California Edison
Barry Wallerstein, Ph.D, Executive Officer, South Coast Air Quality Management District