

DOCKETED

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May 10, 2016

Mr. Robert B. Weisenmiller, Chair
California Energy Commission
1516 Ninth Street, MS 33
Sacramento, CA 95814-5512

Dear Chairman Weisenmiller:

Thank you for sharing your concerns regarding the Aliso Canyon natural gas storage facility and the potential electric and natural gas shortage service reliability for the Los Angeles basin. The California Department of Corrections and Rehabilitation (CDCR) procures its natural gas through the Department of General Services (DGS), who has advised that the distribution lines are independent and not interconnected to the Aliso Canyon storage facility. Nonetheless, I recognize that the Aliso Canyon Action Plan seeks greater coordination among State and local gas and electrical utilities, more energy efficiency programs, and closer matching of gas supply and demand by large gas customers. My Department is, of course, one of the largest agencies in the State, and in recognition of its footprint has been an active leader in reducing its grid-based energy purchases and lowering its overall electricity and natural gas consumption through a number of efforts for many years now. These efforts, as detailed below, should help overall to relieve the gas supply and electricity shortages related to the Aliso Canyon leak.

Currently, CDCR has 16 separate solar generation sites generating 33.63 megawatts (MW AC), 5 of those which generate approximately half of that total amount (i.e., 16.33 MW) in Southern California Edison (SCE) territory. In April 2016 CDCR awarded 9 new solar projects for an additional 32.6 MW of solar energy, as well as 3 wind generation projects providing 4.5 MW, which should be under construction this summer. Of those projects, 4 of the solar and each of the 3 wind generation projects are located in SCE territory, representing an additional 12.33 MW of on-site renewable power generation.

Since 2008 CDCR has engaged in an aggressive action plan through the California Investor Owned Utilities (IOU)/CDCR Energy Efficiency Partnership Program to improve energy efficiency, reduce natural gas consumption and reduce Green House Gas emissions (GHGe). To date, we have achieved an annual savings of 15,710,392 kilowatt hours (kWh) in SCE territory and additional future projects to reduce kWh and therms are pending IOU/Public Utilities Commission (PUC) approvals and funding.

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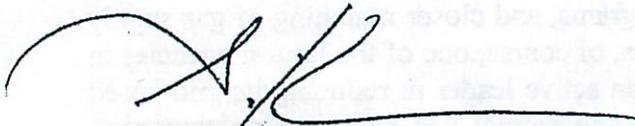
CDCR has reduced its natural gas purchases by 20 percent and grid-based energy purchases by 22 percent, with a projected decrease of 20.64 percent in total GHGe.

As you indicate, while the Aliso Canyon leak has been stopped, concerns might remain regarding electricity and natural gas service reliability in the Los Angeles basin. To help reduce the risks of energy curtailments this summer, CDCR is enrolled within the SCE Demand Response Program and the Critical Peak Pricing Rate Schedule, and has developed a CDCR Demand Response Action Plan that provides site-specific direction to the CDCR institutions on how to implement energy curtailments unique to each facility's operational and program requirements.

I am hopeful that the Department's efforts to date will demonstrate its commitment to running its operations with energy and natural gas efficiencies in mind and offer my ongoing commitment to explore other opportunities CDCR can undertake that might further assist the California Energy Commission in administering the Action Plan.

If you have any questions or need additional information, please contact Deborah Hysen, Director of Facility Planning, Construction and Management, at (916) 255-2255.

Sincerely,



SCOTT KERNAN
Secretary

cc: Wade Crowfoot, Deputy Cabinet Secretary & Senior Advisor, Office of Governor
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