

DOCKETED

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Aliso Canyon Action Plan for Local Energy Reliability Winter 2016/17

Additional submitted attachment is included below.



September 9, 2016

California Energy Commission
Dockets Office, MS-4
1516 Ninth St.
Sacramento, CA 95814

Subject: Aliso Canyon Action Plan for Local Energy Reliability Winter 2016/17 - Docket Number 16-IEPR-02 Natural Gas

The Valley Industry and Commerce Association (VICA) represents over 400 businesses and non-profits across California. We welcome the opportunity to comment on this critical issue and support the safe reopening of the Aliso Canyon Natural Gas Storage Facility. From both a business and air quality perspective, keeping key parts of our energy infrastructure such as Aliso Canyon on-line is critical.

A reliable energy supply is the foundation of our economy. A huge effort has gone into getting through the summer without major blackouts and these efforts should be commended. Removing one critical element of our energy system makes Los Angeles vulnerable if another element fails, if this winter is colder than expected, or any other unexpected event places more strain on the system.

The use of natural gas is traditionally higher in the winter than the summer. The cost of an unreliable energy supply is significant to business. A shortage of natural gas will impact the largest users first: large industrial users, refineries and electricity generators. The effects of this unreliability will be significant on employers. A 2015 Berkeley Lab analysis found that a momentary loss of power costs just under \$13,000 for a medium or large commercial customer. An 8-hour outage cost an average of \$84,000. For small commercial customers, an 8-hour outage cost an average of \$4690, a significant loss for a small business.

Outages cost manufacturers twice as much as non-manufacturers, which is especially important to Los Angeles, the biggest manufacturing center in the country. The manufacturing sector employs over half a million people in LA. These are good-paying jobs and we risk those jobs by not making every effort to ensure energy reliability.

Risking jobs and our economy by failing to reopen the Aliso Canyon facility will not have any environmental benefit. Back-up diesel generators are significantly worse for our air quality. Natural gas is much cleaner than many other energy options. Even with significant strides in wind and solar energy generation, we still need natural gas for periods when these sources are not generating electricity, and for large users who rely on natural gas.

We need to work to safely bring Aliso Canyon back on-line. VICA appreciates the thoughtful effort put into ensuring safe and reliable energy for Los Angeles.

Sincerely,

Kevin Tamaki
Chair

Stuart Waldman
President