

DOCKETED

Docket Number:	17-IEPR-11
Project Title:	Southern California Energy Reliability
TN #:	217662
Document Title:	Letter From Acting Under Secretary Patricia Hoffman on Aliso Canyon
Description:	Letter to Chair Robert B. Weisenmiller dated May 19, 2017
Filer:	Stephanie Bailey
Organization:	Department of Energy
Submitter Role:	Public Agency
Submission Date:	5/19/2017 4:00:30 PM
Docketed Date:	5/19/2017



Department of Energy
Washington, DC 20585

May 19, 2017

Dr. Robert Weisenmiller, Chair
California Energy Commission
1516 9th Street
Sacramento, California 95814-5512

Dear Dr. Weisenmiller:

I am writing to you to express my concern about the heightened and continuing energy reliability risks in Southern California induced by the closure of the regionally-important natural gas underground storage facility at Aliso Canyon. With a warmer than average summer predicted, the Department is concerned with regional reliability, in addition to longer-term concerns about overall grid stability.

I recognize that since the shutdown of Aliso Canyon, you and your colleagues at other agencies and utilities (in California and in neighboring states), have shown extraordinary dedication in seeking new ways to use the existing electric and gas infrastructure more effectively to meet regional requirements; such as the addition of strategically sited new assets, including renewable generation facilities and energy storage devices. Concurrently, we are encouraged by last winter's rain and snowpack which underpin California's hydro-power capacity.

Nevertheless, it appears that despite these efforts, without the availability of Aliso Canyon or some adequate functional equivalent, the region remains vulnerable to energy supply disruptions and possible electricity blackouts triggered by severe weather, unanticipated outages of key facilities, natural or man-made disasters, or a combination of these events. The reality is there are many constraints to the transmission of electricity and natural gas in California that are only exacerbated by Aliso Canyon being unavailable in its full capacity.

I note that under your direction, many of the injection/withdrawal wells serving Aliso Canyon have successfully undergone a battery of rigorous safety tests. With this in mind, I urge you to seriously consider and if possible approve the near-term reopening of Aliso Canyon.

At the same time I want to be clear that I am not suggesting a simple return to the *status quo ante*. Many lessons have been learned from the Aliso Canyon experience, one of the most important of which is that as our reliance on natural gas for the generation of electricity increases, we must identify potential fuel supply risks and take appropriate actions to mitigate them.

Reopening Aliso Canyon would help to ease near-term reliability risks, while providing an umbrella of protection under which appropriate longer-term actions can be planned and



brought to reality. If Aliso Canyon is reopened, recharging it to its full capacity (86 Bcf) will be a slow process. This means that whether Aliso Canyon could make a significant contribution to easing reliability challenges this summer is questionable, but reopening it soon is required for recharging and ensuring access for the winter of 2017-18.

If the Department can be of assistance to you in dealing with this challenge, whether through our able staff or through the expertise at our national laboratories, please let me know. I look forward to further dialogue with you on this subject and others of mutual interest as they arise.

Sincerely,

A handwritten signature in cursive script that reads "Patricia A. Hoffman".

Patricia A. Hoffman
Acting Under Secretary for Science and Energy
Office of the Under Secretary for Science and Energy