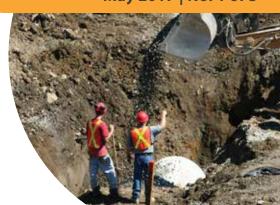


FACT SHEET

California Public Utilities Commission

Pipeline Safety and Reliability Project – New Natural Gas Line 3602 and De-rating Line 1600 (PSRP)



Project Overview and Proposed Project Alternatives

On September 30, 2015, San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (the applicants) requested a Certificate of Public Convenience and Necessity (CPCN) (Application No. A.15-09-013) from the California Public Utilities Commission (CPUC) to construct, operate, and maintain the proposed *Pipeline Safety and Reliability Project – New Natural Gas Line 3602 and De-rating Line 1600* (PSRP, or the proposed project). The applicants state that the proposed project is needed to advance three fundamental objectives for the integrated SDG&E and SoCalGas natural gas transmission system in San Diego County:

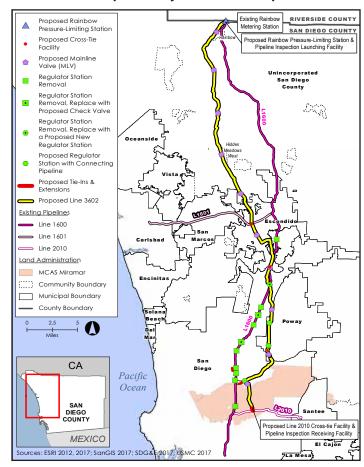
- Implement pipeline safety requirements for existing Line 1600, thereby enabling the applicants to comply with their CPUC-approved Pipeline Safety Enhancement Plan and modernize the system with state-of-the-art materials;
- 2. Improve system reliability and resiliency by minimizing dependence on a single pipeline; and
- 3. Enhance operational flexibility to manage stress conditions by increasing system capacity.

The CPUC Energy Division is responsible for carrying out the CPUC's environmental review of the proposed project in accordance with the California Environmental Quality Act. The CPUC will prepare a Draft and Final Environmental Impact Report (EIR) to evaluate the proposed project's potential impacts on the environment. The EIR will describe the nature and extent of the environmental impacts of the proposed project and will determine whether those impacts could be avoided, eliminated, compensated for, or reduced to less than significant levels. The EIR will also identify and analyze alternatives to the proposed project that could reduce, eliminate, or avoid one or more of the proposed project's significant impacts. Additional information on the CPUC environmental review process is provided on the CPUC's PSRP Fact Sheet No. 2 of 3 (dated May 2017).

Proposed Project Components

To meet the stated project purposes, the applicants propose to construct, operate, and maintain the new San Diego Natural Gas Pipeline (Line 3602) and supporting facilities, as well as de-rate, or lower the pressure of, the existing Line 1600 and complete the modifications required to convert existing Line 1600 from a transmission pipeline to a distribution pipeline.

Proposed Project Overview Map





New Natural Gas Line 3602

Line 3602 would consist of a new, approximately 47-mile-long, 36-inch-diameter natural gas transmission pipeline that would carry natural gas from SDG&E's existing Rainbow Metering Station in Rainbow, California, to a tie-in with SDG&E's existing system within U.S. Marine Corps Air Station (MCAS) Miramar in San Diego, California. The proposed route extends south from the proposed Rainbow Pressure-Limiting Station, which is located approximately 50 feet south of SDG&E's existing Rainbow Metering Station, through the cities of Escondido, San Diego, and Poway and unincorporated communities of San Diego County, and terminates on federal land within MCAS Miramar.

Approximately 41 miles of the proposed pipeline would be installed in urban areas within existing roadways and road shoulders. The remaining approximately 6 miles would be installed cross-country in new right-of-way not adjacent to roads. Proposed facilities to support Line 3602 include:

- · Construction of the Rainbow Pressure-Limiting Station;
- · Construction of 10 mainline valves;
- Construction of three cross-tie facilities (i.e., one at existing Line 1600, one at existing Line 1601, and one at existing Line 2010); and
- Construction or installation of minor operation support facilities, including pipeline inspection launching and receiving equipment, a cathodic protection system, and a fiber optic intrusion and leak detection system.

De-Rating of Existing Line 1600

SDG&E's Line 1600 is an existing 50-mile-long pipeline constructed in 1949 that begins at the existing Rainbow Metering Station and terminates in Mission Valley, San Diego. The applicants propose to de-rate, or lower the pressure of, approximately 45 miles of existing Line 1600 in order to convert it from a transmission pipeline into a distribution pipeline. This conversion would require system modifications at various locations along existing Line 1600, including:

- Removal of eight existing regulator stations that would not be replaced with other facilities;
- Removal of two existing regulator stations that would be replaced with check valves;
- Removal of one existing regulator station that would be replaced with a new regulator station;
- Construction of three new regulator stations and connection pipelines;
- Construction of the Mira Mesa Pipeline Extension (an 0.88-mile-long, 8-inch-diameter pipe);
- Line 49-31B Replacement (replacement of an existing 0.70-mile-long segment of Line 49-31B with 6-inch-diameter pipe); and
- Line 49-31C Pre-Lay Segment Replacement (installation of 1.08 miles of 8-inch-diameter pipe in a segment in Pomerado Road).

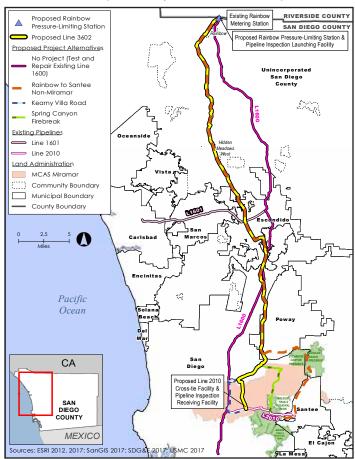
Alternatives

The EIR will evaluate a reasonable range of alternatives to the PSRP that could achieve all or most of the objectives of the proposed project, while avoiding or reducing one or more of its significant environmental impacts. Alternatives will include a "no project" alternative. In addition to the applicants' proposed route for Line 3602, the CPUC anticipates evaluating the following route alternatives in the EIR:

- No Project Alternative (i.e., test and repair existing Line 1600);
- · Rainbow to Santee Non-Miramar Alternative;
- · Kearny Villa Road Alternative; and
- · Spring Canyon Firebreak Alternative.

In the Proponent's Environmental Assessment (which was part of the applicants' CPCN application), SDG&E and SoCalGas evaluated a variety of project alternatives, including not constructing a new pipeline, constructing alternate sized pipe, constructing a new pipeline in other areas, multiple alternative routes, and minor route variations. As part of the environmental review process for the proposed project, the CPUC will re-evaluate the alternatives developed by SDG&E and SoCalGas and determine whether or not to carry them forward for further analysis in the EIR. The CPUC may develop additional alternatives for consideration and analysis based on input received during the scoping period or in response to potentially significant environmental impacts identified during development of the EIR.

Proposed Project Alternatives Map



1009318.0001.02