BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

In The Matter of the Application of Southern California Gas Company (U 904 G) for a Certificate of Public Convenience and Necessity for the Ventura Compressor Modernization Project.	Application: 23-08-____

APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE VENTURA COMPRESSOR MODERNIZATION PROJECT

AVISHA A. PATEL
ERIC A. GRESSLER

Attorneys for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West 5th Street, GT14E7
Los Angeles, CA 90013
Tel: (213) 244-8507
Fax: (213) 629-9620
Email: apatel@socalgas.com
E-mail: egressle@socalgas.com

August 24, 2023

TABLE OF CONTENTS

TABLE OF AUTHORITIES

STATUTES AND LEGISLATION

CALIFORNIA PUBLIC UTILITIES COMMISSION DECISIONS

COMMISSION RULES OF PRACTICE AND PROCEDURE

OTHER AUTHORITIES

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

In The Matter of the Application of Southern California Gas Company (U 904 G) for a Certificate of Public Convenience and Necessity for the Ventura Compressor Modernization Project	Application: 23-08-_____

APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE VENTURA COMPRESSOR MODERNIZATION PROJECT

I. INTRODUCTION

Pursuant to Sections 1001, 1002, 1002.5, 1003.5 and 1004, *et seq.*, of the California Public Utilities Code, the California Public Utilities Commission's (CPUC or Commission) General Order (GO) 177, the California Environmental Quality Act (CEQA) of 1970, as amended (California Public Resources Code Section 21000 et seq.), the CEQA Guidelines as set forth in Title 14 of the California Code of Regulations (CCR), Sections 15000, *et seq.*, Rules 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, and 3.2, et al. of the Commission's Rules of Practice and Procedure (Rules),[1] Southern California Gas Company (SoCalGas) hereby submits this Application concerning the Ventura Compressor Station for:

(A) review of the Ventura Compressor Modernization Project (Proposed Project), which would modernize and improve the reliability of the only compressor station on the SoCalGas coastal transmission system to enhance energy reliability and

[1] This Application also complies with the October 3, 2022 Assigned Commissioner's Scoping Memo and Ruling in A.22-05-015 and the subsequent December 5, 2022 and April 7, 2023 letters from the Executive Director of the Commission.

resiliency and to support the integrity of the integrated electric and gas system, while reducing permitted nitrogen oxides (NOx) emissions by approximately 75 percent, under applicable law;

(B) a Certificate of Public Convenience and Necessity (CPCN) for the Proposed Project, as required by General Order 177;

(C) authority to recover the revenue requirement associated with the Proposed Project in customer rates; and

(D) approval of related cost allocation and rate design proposals.

This Application is submitted concurrently with the Proponent's Environmental Assessment for SoCalGas's Ventura Compressor Station Modernization Project dated August 24, 2023 (PEA).

II. SUMMARY OF APPLICATION

For over 150 years, SoCalGas has safely and reliably supplied the energy our customers need to cook their food, heat their homes, and generate the power that has contributed to businesses and the economy of Southern California. Today, we remain steadfast in our commitment to deliver safe, affordable, and increasingly clean energy to our customers and are dedicated to being a leader in the transition to California's decarbonized energy system as we pursue our mission of becoming the cleanest, safest, and most innovative energy company in America.[2] We are a partner in the communities we serve, dedicated to improving local quality of life through devotion of energy, time, and financial support. It is through this lens that we pursue the requests in this Application.

[2] Additional information can be found in *Aspire 2045: SoCalGas Sustainability Strategy* (February 2022), *available at:* https://www.socalgas.com/sites/default/files/2022-02/SoCalGas_Sustainability_Strategy_final.pdf.

As a gas utility provider regulated by the Commission, SoCalGas is obligated to provide safe and reliable service at just and reasonable rates to all gas customers in its service territory. In order to do so, SoCalGas owns and operates an integrated gas transmission system consisting primarily of pipelines, compressor stations, storage facilities, and other appurtenant facilities. It is through this system that SoCalGas transports and distributes gas throughout Central and Southern California. As an integral part of this system, for 100 years, the Ventura Compressor Station has provided necessary pressurization to help keep gas moving through the pipelines up and down the Central Coast.

The Ventura Compressor Station supports SoCalGas's safe and reliable delivery of gas for two distinct yet interrelated purposes: (a) to serve core and non-core customer demand in the North Coastal System; and (b) to supply gas to the La Goleta Storage Field for injection and storage, which, in turn, supports future customer demand and reliability both in the North Coastal System and across the entirety of SoCalGas's system. The Ventura Compressor Station therefore is integral not only to support local reliability for about 238,000 customers; it is additionally essential to support reliability for the more than 21 million consumers across SoCalGas's approximately 24,000-square-mile service territory. Further, by serving local demand and supporting injection into the La Goleta Storage Field, the Ventura Compressor Station also supports the reliability of the integrated gas and electric energy system and becomes a key enabler for the energy transition and decarbonization.

The current suite of compression equipment at the Ventura Compressor Station was installed in the 1980s and was designed and sized for operating conditions that differ from those that exist today. Historically, gas supplies were delivered to the North Coastal System from three sources: from local California producers, north of the Ventura Compressor Station; from

the south, through the Ventura Compressor Station; and from the La Goleta Storage Field (where stored gas has also gone through the Ventura Compressor Station). However, since 2010, gas supply from local California producers has dropped off dramatically: in 2016 local supply was 12.6% of what it was in 2010, and in 2022 it was 9.5% of what it was in 2010. As a result, almost all gas supply to customers in the North Coastal System now goes through the Ventura Compressor Station. This increased dependence on the Ventura Compressor Station to support customer demand in the North Coastal System has required the compression equipment to be operated outside optimal ranges, resulting in decreased efficiency and increased strain on almost 40-year-old infrastructure that has a design life of 30 years. The compressors have been kept operational through extensive service and the imposition of limitations on use: incremental personnel have been added to tend to the compressors on a daily basis; major overhauls have been performed, resulting in extended compressor outages; and a 25% capacity reduction was taken in 2017 (to compensate for operational changes to maintain a minimum engine torque) to support consistent operating performance. While these actions have improved compressor reliability, they are accompanied by a sacrifice to system reliability because injection capabilities at the La Goleta Storage Field are reduced. Moreover, these responsive actions will not sustain the compressors indefinitely. The consequences of cascading mechanical breakdowns at the facility can be severe. If two of the three existing compressors are out of service at the same time, curtailments to the North Coastal System may occur.

Serving virtually all demand in the North Coastal System while also delivering gas to the La Goleta Storage Field to the authorized storage capacity requires compression power beyond what was known and expected at the time the Ventura Compressor Station was last designed and sized. The current infrastructure at the Ventura Compressor Station, together with the changed

operating environment, does not allow SoCalGas to use the La Goleta Storage Field to its full Commission-authorized capacity: SoCalGas has had a reduction in injection capacity at the La Goleta Storage Field posted for about the last 10 years, and has had to attempt to manage inventory there so it does not drop below 7.5 Bcf.

An analogy helps to illustrate the issue. The average lifespan of passenger cars in the United States is about 12 years or 200,000 miles. However, the age and mileage on a car alone are not determinative of how long it will last; how the car is operated has an impact on its longevity as well. A car that is driven hard or consistently hauls loads exceeding optimal ranges would not be expected to last as long as a car that is driven within optimal ranges.

As a car approaches the end of its expected lifespan, the owner must make decisions between repairing or replacing the car. Even when a car can be repaired, it is not available for use during the period when it is being repaired and, moreover, the cost of the repair may not be worth the brief longevity it may add to a vehicle with myriad other problems given its age and condition. This is particularly so because the expected life of a car is not forever. Operating the car optimally and servicing and repairing it as necessary can extend its life, but if the car is a necessity, it will have to be—and should be—replaced before it is not functional at a time when it is most needed. Furthermore, even when an old car is repaired, it remains just that: an old car. The choice to forego a replacement is also a choice to forego improvements that more modern technology provides.

The same is true of the compression equipment at the Ventura Compressor Station. The existing compressors are well past their design life and, moreover, have had to operate in a system condition outside their intended operation since 2013 in order to compensate for the loss of local supply in the North Coastal System. This is the equivalent of asking an aging car that

can optimally haul up to 1,000 pounds to instead haul 1,500 pounds, all the while continuing to operate reliably. The mechanical limitations that have had to be imposed on the compressors are the equivalent of driving the car at 50 miles per hour (m.p.h.), even though the highway speed limit is 65 m.p.h., because driving the car any faster means the vehicle will likely break down before it reaches its destination.

In the case of the Ventura Compressor Station, the requirements of the station have changed since the existing compressors were put into service. To use our analogy, where our old car had been hauling 1,500 pounds at 50 m.p.h. for a number of years, we now need it to haul 2,500 pounds at 65 m.p.h. Given these conditions, it would not be prudent to expect the existing compressors to continue to operate reliably into the foreseeable future, let alone to operate to sufficiently supply gas to the La Goleta Storage Field such that it is fully available to support the system year-round. Further, replacing the equipment provides benefits that repaired equipment cannot, such as lower permitted emissions.

The Proposed Project to modernize the Ventura Compressor Station will allow SoCalGas to maintain reliable delivery of gas to our customers in the North Coastal System while restoring consistent delivery to the La Goleta Storage Field. Proposed to be constructed at the site of the existing Ventura Compressor Station over a period of approximately 30 months, the Proposed Project includes: (a) replacing the three existing aging natural gas-driven compressors (gas compressors) with two new gas compressors equipped with state-of-the art emission control technology and two new compressors that are electric motor-driven (electric compressors) that provide additional horsepower and zero NOx emissions; (b) erecting a building to house the new compressors; (c) erecting a permanent office building to accommodate staff; (d) erecting a warehouse to house critical spare parts and materials; (e) constructing other ancillary site

improvements to support operation of the new compressors; and (f) installing a perimeter block wall.

The Proposed Project incorporates stakeholder feedback received over the course of the last two years through a variety of proactive outreach activities and English/Spanish communications, including community town halls and stakeholder briefings/presentations with community leaders, elected officials, and community and business organizations. In fact, the proposal for a hybrid design is a result of listening to the community and incorporating its feedback. The use of two electric compressors will not result in any local emissions, while keeping two natural gas compressors promotes station resiliency in the event of power outages. Moreover, as compared to project alternatives, the Proposed Project offers cost savings and can be operational in a timely fashion, and its ability to meet the purpose, need, and objectives is not speculative.

Further, the Proposed Project aligns not only with SoCalGas's sustainability strategy to improve local air quality in our communities; it also aligns with and promotes California's decarbonization goals and increases the State's climate resilience through the energy transition. Gas-fueled electric generation and the transmission and storage infrastructure that support gas-fueled electric generation, like the Ventura Compressor Station, provide a critical and complementary role in advancing the State's decarbonization targets—specifically, the reliable integration of high levels of renewable energy. The California Air Resources Board's 2022 Scoping Plan[3] acknowledges the key role gas-fueled electric generation plays in maintaining

[3] California Air Resources Board, *2022 Scoping Plan for Achieving Carbon Neutrality* (November 16, 2022), *available at*: https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp.pdf at 198. The CARB 2022 Scoping Plan is California's decarbonization strategy roadmap. Further, a study by E3 found that gas power plants will need to stay on line at least through 2050 as firm resources, but most

reliability and assumes the existing fleet of gas-fueled electric generation remains as an available resource.

And that is what the Proposed Project seeks to do—maintain the Ventura Compressor Station as an available and effective resource not only to maintain reliability but also to support the energy transition. Approving the Proposed Project will not expand SoCalGas's system capacity. The amount of gas that can be transported through SoCalGas's pipelines will remain unchanged. The Proposed Project will not expand the capacity of SoCalGas's system to receive additional supplies from interstate pipelines. The Proposed Project will not serve an expanded level of customer demand, nor will it expand the authorized injection capacity at the La Goleta Storage Field.

Rather, the Proposed Project seeks to replace aging infrastructure and compensate for the loss of local California producer supply in a discrete and targeted manner, without increasing SoCalGas's footprint or seeking to extend its pipeline system. On two recent occasions, the Commission recognized the importance of increasing the horsepower and replacing the aging infrastructure at the Ventura Compressor Station and, accordingly, authorized prior versions of the Proposed Project. Modernizing the Ventura Compressor Station remains a critical need. Thus, SoCalGas now seeks approval of the Proposed Project pursuant to GO 177 and in accordance with CEQA.

---

will have a capacity factor of 10 percent or less, leading to expected retirements due to uneconomic operating conditions. CEC, *2022 Integrated Energy Policy Report Update* (2022 IEPR) at 108 *available at:* https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report/2022-integrated-energy-policy-report-update. As noted in the 2021 SB 100 Joint Agency Report, "In the near term to midterm, however, natural gas generation will continue to play a critical role in ensuring grid reliability." *See,* CEC, *2021 SB 100 Joint Agency Report, Achieving 100 Percent Clean Electricity in California: An Initial Assessment* (September 03, 2021), *available at:* https://www.energy.ca.gov/publications/2021/2021-sb-100-joint-agency-report-achieving-100-percent-clean-electricity.

The objectives of the Proposed Project are to:

- Meet system operational requirements by providing sufficient gas supply to the North Coastal System at adequate pressures year-round to reliably serve demand in the North Coastal System and inject into the La Goleta Storage Field;
- Promote system reliability and affordability by restoring the injection capability of the entire authorized La Goleta Storage Field inventory during the summer operating season;
- Modernize the Ventura Compressor Station's aging infrastructure, which was designed and installed in the 1980s to meet operating requirements at that time, in support of year-round system reliability;
- Provide resiliency through diversifying energy supply and improving station reliability;
- Reduce permitted NOx emissions at the Ventura Compressor Station by installing new compressors equipped with state-of-the art emissions control equipment;
- Achieve functionality of the new equipment as soon as possible to support needed reliability;
- Maintain continuity of operations of the existing compressor station equipment until the Proposed Project goes into service; and
- Safeguard ratepayer funds by evaluating the costs of the Proposed Project in a prudent manner and in accordance with Commission direction.

III. PROJECT BACKGROUND, PURPOSE, NEED, AND DESCRIPTION

A. SoCalGas System Overview

1. Gas System Overview

SoCalGas's service territory encompasses approximately 24,000 square miles throughout Central and Southern California, from Visalia to the Mexico border. SoCalGas operates an integrated gas transmission system composed of pipelines, storage fields, compressor stations, and regulator stations designed to provide safe and reliable service to over 21 million consumers. SoCalGas's transmission system was designed to receive and deliver gas from the east to the load centers in the Los Angeles Basin, Imperial Valley, San Joaquin Valley, North Coastal System, and San Diego County. Over time, as SoCalGas sought to diversify sources of natural gas supply on behalf of its customers, it built interconnections to concurrently accept natural gas deliveries from the north. These efforts led to a system that provides a high level of resiliency and reliability to Central and Southern California. SoCalGas's system is shown in Figure 1.

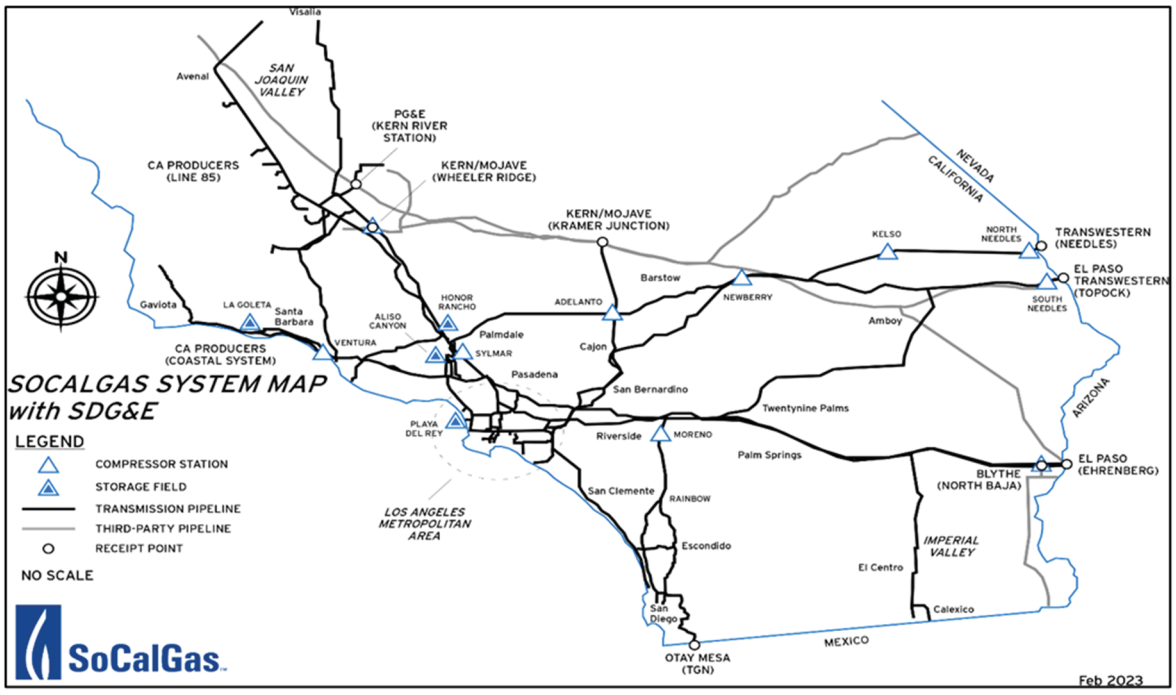

Figure 1. SoCalGas System Map

More than 90 percent of the natural gas used in California is produced outside the state, including from basins in Texas and New Mexico. Transmission pipelines transport gas supplies from the California/Arizona border and other receipt points in Central and Southern California to areas throughout SoCalGas's service territory; thus, there is broad system dependency on transmission system assets. Ten compressor stations located along the transmission pipelines, including the Ventura Compressor Station, provide the pressurization needed to move the gas through the pipelines.[4] Four underground storage fields[5] store and supply natural gas to support reliability and promote affordability. SoCalGas's integrated system was designed to use both interstate pipeline supplies and supplies from storage to meet customer demand; neither alone is sufficient to meet customer needs. Such a design is prudent because interstate pipeline supplies of gas may not be available to meet customers' needs at all times, particularly in the winter operating season when competition increases for limited gas supplies due to cold weather within and outside of California. Storage fields therefore play a critical role in providing gas supplies during colder months.

Furthermore, storage fields are also critical throughout the year to support electricity generation. Storage fields support intraday changes in demand (i.e., changes within the operating day) by allowing for withdrawal of natural gas during times of high demand and by

---

[4] Count includes Moreno compressor station. As noted by the U.S. Energy Information Administration (EIA), "The U.S. interstate natural gas pipeline network relies on more than 1,200 natural gas compressor stations to maintain the continuous flow of natural gas between supply area and consumers. Compressor stations are 'pumping' facilities that advance the flow of natural gas. They are usually situated between 50 and 100 miles apart along the length of a natural gas pipeline system and are designed to operate on a nonstop basis." *See* EIA, *Natural Gas Compressor Stations on the Interstate Pipeline Network: Developments Since 1996* (November 7, 2007), *available at:* https://www.eia.gov/naturalgas/articles/compressor96index.php.

[5] The four natural gas storage fields are Aliso Canyon (northern San Fernando Valley), Honor Rancho (Santa Clarita), La Goleta (Goleta), and Playa del Rey (western Los Angeles County).

allowing storage of excess supply when customer demand declines. This functionality is critical for allowing the flexible use of gas-fueled electricity generators, which enables the integration of renewable generation into the electric grid. As concluded by the California Council on Science & Technology in its report *Long-Term Viability of Underground Natural Gas Storage in California: An Independent Review of Scientific and Technical Information*, "Gas storage provides crucial hourly balancing for the gas system in all seasons. Without gas storage, California would be unable to accommodate the electricity generation ramping that now occurs nearly every day and that may increase as more renewables are added to the grid."[6] In this way, the four storage fields in SoCalGas's system support customers throughout the broader interdependent gas and electric system. This functionality will continue to be critical through the energy transition as the State seeks to reach its decarbonization goals. Our energy system is becoming increasingly convergent and interdependent such that a capable gas system is necessary for both decarbonization and reliability, including electric reliability. The ongoing integration of unprecedented levels of variable renewable energy adds significant volatility to energy availability. According to the California Energy Commission:

> There are critical interdependencies between electricity and gas system reliability in the state. Gas-fired generation has long been an integral part of the electricity system, providing baseload power, load following, and reliability. It has also served as the backstop during drought conditions that reduce the availability of in-state hydro generation, as well as imports of hydro from the Pacific Northwest and Southwest regions. The role of gas generation in the electricity system is shifting with the addition of large amounts of renewable generation, primarily solar and wind. ***Gas generators not only ensure reliability but are key enablers of increasing amounts of renewable resources, which are the primary source of greenhouse gas (GHG) emission reductions in the electric sector.*** Further, a stable grid is essential to achieving GHG emission reductions from electrification

[6] California Council on Science and Technology, *Long-Term Viability of Underground Natural Gas Storage in California: An Independent Review of Scientific and Technical Information* at 504 (Conclusion 2.4) (emphasis added), *available at*: https://ccst.us/wp-content/uploads/Full-Technical-Report-v2_max.pdf.

of residential and commercial buildings and the use of electric vehicles to decarbonize the transportation sector.[7]

As greater parts of the economy electrify and renewables make up an increasing share of the electric supply portfolio, the firm power provided by gas-fueled electricity serves a critical need--gas-fueled electricity generators provide about 75 percent of the flexible capacity for grid reliability.[8] Gas-fueled electricity generators are relied upon today and will continue to be to provide quick ramping capabilities to support the integration of increasing levels of intermittent renewables (*see* the Commission's Energy Division's model at Figure 2). This requires gas transmission and storage infrastructure that allows gas to be available in the right amounts and locations when electric generators ramp up, and it requires a capable and flexible gas system to manage the downswings when gas generation must ramp down.[9] Accordingly, CARB's 2022 Scoping Plan[10] acknowledges the key role gas-fueled electricity generation plays in maintaining reliability and assumes the existing gas-fueled electricity generation fleet remains.

---

7 California Energy Commission, *Final 2021 Integrated Energy Policy Report Volume III: Decarbonizing the State's Gas System* (March 2022) at 24 (Ch. 2: Gas and Electric Interdependencies), *available at:* https://www.energy.ca.gov/data-reports/reports/integrated-energypolicy-report/2021-integrated-energy-policy-rep

8 CARB, *2022 Scoping Plan for Achieving Carbon Neutrality* (November 16, 2022) at 204 ("Presently, fossil gas power plants provide about 75 percent of the flexible capacity for grid reliability as more renewable power enters the system.") , *available at*: https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp.pdf.

9 CAISO anticipates that, as a result of new laws concerning GHG emissions and electrification, "[a]lthough natural gas usage may decline overall, increasing renewable penetration may lead to continued reliance on gas-fired generation for intra-day ramping needs and during multiple days of low solar generation." *See* R.20-01-007, Comments on Amended Scoping Memo of the California Independent System Operator Corporation (November 2, 2021) at 2, *available at:* https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M420/K303/420303760.PDF.

10 CARB, *2022 Scoping Plan for Achieving Carbon Neutrality* (November 16, 2022), *available at*: https://ww2.arb.ca.gov/sites/default/files/2022-12/2022-sp.pdf.

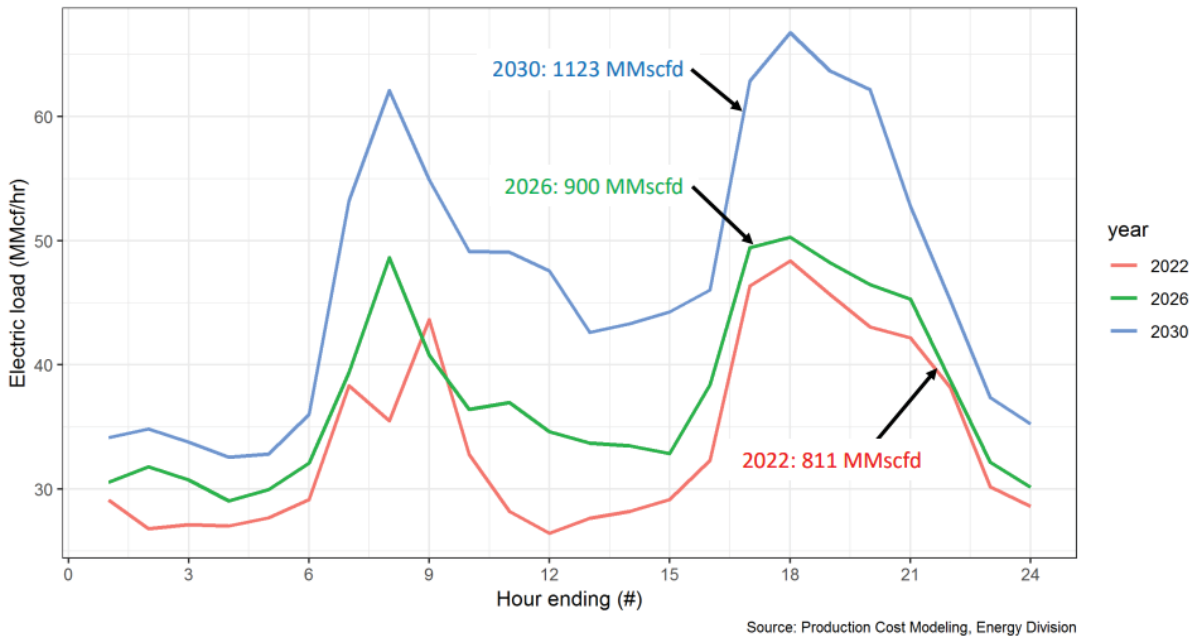

Figure 2. Aggregate EG Profiles for Winter (1-in-10)[11]

During the summer operating season—the 214 days from April through October—natural gas supplies are generally less expensive and the storage fields are typically on injection (but sometimes on withdrawal, e.g., when needed to support electricity generation). During the winter operating season—the 151 days from November through March—natural gas supplies are generally more expensive and the storage fields are typically on withdrawal (but sometimes on injection, e.g., when weather is warmer than forecast and supplies were delivered to the gas system in anticipation of the cold weather, resulting in excess gas supplies that have to go somewhere). Storage fields are crucial to supporting winter demand that exceeds interstate

[11] I.17-02-002, Order Instituting Investigation pursuant to Senate Bill 380 to Determine the Feasibility of Minimizing or Eliminating the Use of the Aliso Canyon Natural Gas Storage Facility Located in the County of Los Angeles While Still Maintaining Energy and Electric Reliability for the Region, Workshop 3, Input Data Development and Capacity Studies presentation by Energy Division (July 28, 2020) at slide 32; *available at:* https://www.cpuc.ca.gov/-/media/cpuc-website/files/uploadedfiles/cpucwebsite/content/news_room/newsupdates/2020/session-4-hydraulic-modeling-updates-2020-workshop-3-slide-deck-final.pdf.

receipt capacity while also supporting affordability by storing gas purchased when it is less expensive for later use when gas prices are higher.[12] It is thus critical that SoCalGas utilize its transmission system to fill its storage fields to their authorized capacity during the summer operating season, including because of the support storage provides to the increasingly volatile summer electric generation demand.

2. North Coastal System Overview

The SoCalGas Coastal System covers a large area from western Los Angeles County to San Luis Obispo County. The North Coastal System begins at the Ventura Compressor Station, continues west to the La Goleta Storage Field, and ends in the communities served around San Luis Obispo and Paso Robles. A map of the North Coastal System is shown in Figure 3. The system is designed both to serve customer demand along the north coast and to facilitate injection and withdrawal from the La Goleta Storage Field to support future customer demand both locally and across the entirety of SoCalGas's system.

[12] *See, e.g.,* D.21-11-008 at 10 ("Natural gas storage can reduce the impact of gas commodity price spikes and stabilize customer rates.").

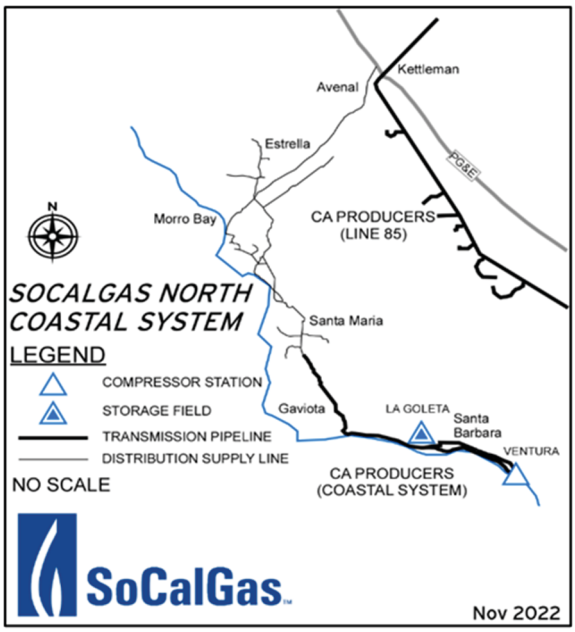

Figure 3. SoCalGas North Coastal System Map

The La Goleta Storage Field has a maximum inventory capacity of 21.5 billion cubic feet (Bcf), which is approximately 24% of SoCalGas's storage inventory authorized by the Commission.

The Ventura Compressor Station is a necessary asset to facilitate injection into the La Goleta Storage Field. When compressing gas through the Ventura Compressor Station, SoCalGas must first supply customer demand in the North Coastal System, and then any remaining gas (i.e., in excess of customer demand) that is compressed can be injected into the La Goleta Storage Field. The changed operating environment in recent years—whereby virtually all demand in the North Coastal System is supported by the Ventura Compressor Station—has impacted deliveries to the La Goleta Storage Field: the daily injection capacity at the La Goleta Storage Field is currently reduced by 70 million cubic feet per day (MMcfd). The Proposed Project is thus necessary both to serve customer demand in the North Coastal System and to support injection into the La Goleta Storage Field.

The North Coastal System was historically operated such that both gas received from local California producers as well as gas compressed through Ventura Compressor Station (including gas delivered to and later withdrawn from the La Goleta Storage Field) was utilized to meet customer demand. During the summer operating season, the seasonal objective is first to meet customer demand in the North Coastal System and then replenish the La Goleta Storage Field to its authorized capacity in order to be prepared for the winter operating season, when the SoCalGas system experiences its highest customer demand. Typically, the flow of gas between Ventura Compressor Station and La Goleta Storage Field during the summer operating season is from south to north. However, as needed, the La Goleta Storage Field is placed on withdrawal during the injection season, such as when customer demand on the SoCalGas system exceeds supplies due to high electric generation demand. When there is withdrawal from the La Goleta Storage Field, the pipelines between La Goleta Storage Field and Ventura Compressor Station flow from north to south. During a withdrawal operation, gas can be delivered south of the Ventura Compressor Station.

During the winter operating season, the North Coastal System was historically operated such that gas received from local California producers and gas withdrawn from the La Goleta Storage Field was utilized to meet North Coastal System customer demand and also be delivered south of the Ventura Compressor Station to support other Coastal System demand and system-wide reliability. The flow of gas between Ventura Compressor Station and La Goleta Storage Field during the winter operating season is typically from north to south as gas is withdrawn from the La Goleta Storage Field to support winter demand; however, when customer demand permits, or lack of supply at the La Goleta Storage Field requires, the Ventura Compressor

Station can be operated to meet customer demand in the North Coastal System and, as a result, gas will flow from south to north towards the La Goleta Storage Field.

a. Gas Supply in the North Coastal System

Historically, the North Coastal System infrastructure typically received gas from three sources: local California producers (from the north); gas compressed through the Ventura Compressor Station (from the south); and withdrawals of gas from the La Goleta Storage Field (which gas has previously been compressed through the Ventura Compressor Station).[13] The existing compression infrastructure at the Ventura Compressor Station was installed in the 1980s and was sized based on two factors: the injection requirements at the La Goleta Storage Field, and the local California producer supply north of the Ventura Compressor Station that was in excess of demand in the North Coastal System (approximately 50 to 90 million cubic feet per day [MMcfd]). The compression equipment was designed in the 1980s to make up the difference between the La Goleta Storage Field injection requirements and the excess gas supplied by the local producers.

Conditions have changed drastically since then. As depicted in Figure 4, over time, the local California producer supply has dramatically declined. Local California producer gas supply on the North Coastal System was largely a function of oil production – the natural gas supply produced was an ancillary byproduct of the oil production process. As the oil fields

[13] While SoCalGas has the infrastructure to receive some supply from PG&E at Kettleman Station for delivery to the North Coastal distribution system in San Luis Obispo County at Morro Bay, it is neither a reliable nor guaranteed source. Delivery is limited by the distribution system that receives the supply, so it is insufficient to serve the whole North Coastal System demand, and PG&E's ultimate responsibility is to its customers in Northern California, not to SoCalGas's customers. Morro Bay supplies are an as-available service from PG&E and are not guaranteed; furthermore, PG&E did not agree to provide firm deliveries at Kettleman Station when so requested by SoCalGas. As such, SoCalGas does not operate its system with reliance on this potential source.

depleted, these oil supplies became more costly to produce and became uneconomic on the world market, resulting in the loss of oil production. This, in turn, also resulted in a loss of the ancillary gas supply and, as a result, the North Coastal System is now almost exclusively dependent on gas supplies that pass through the Ventura Compressor Station both directly and indirectly (i.e., from the La Goleta Storage Field).

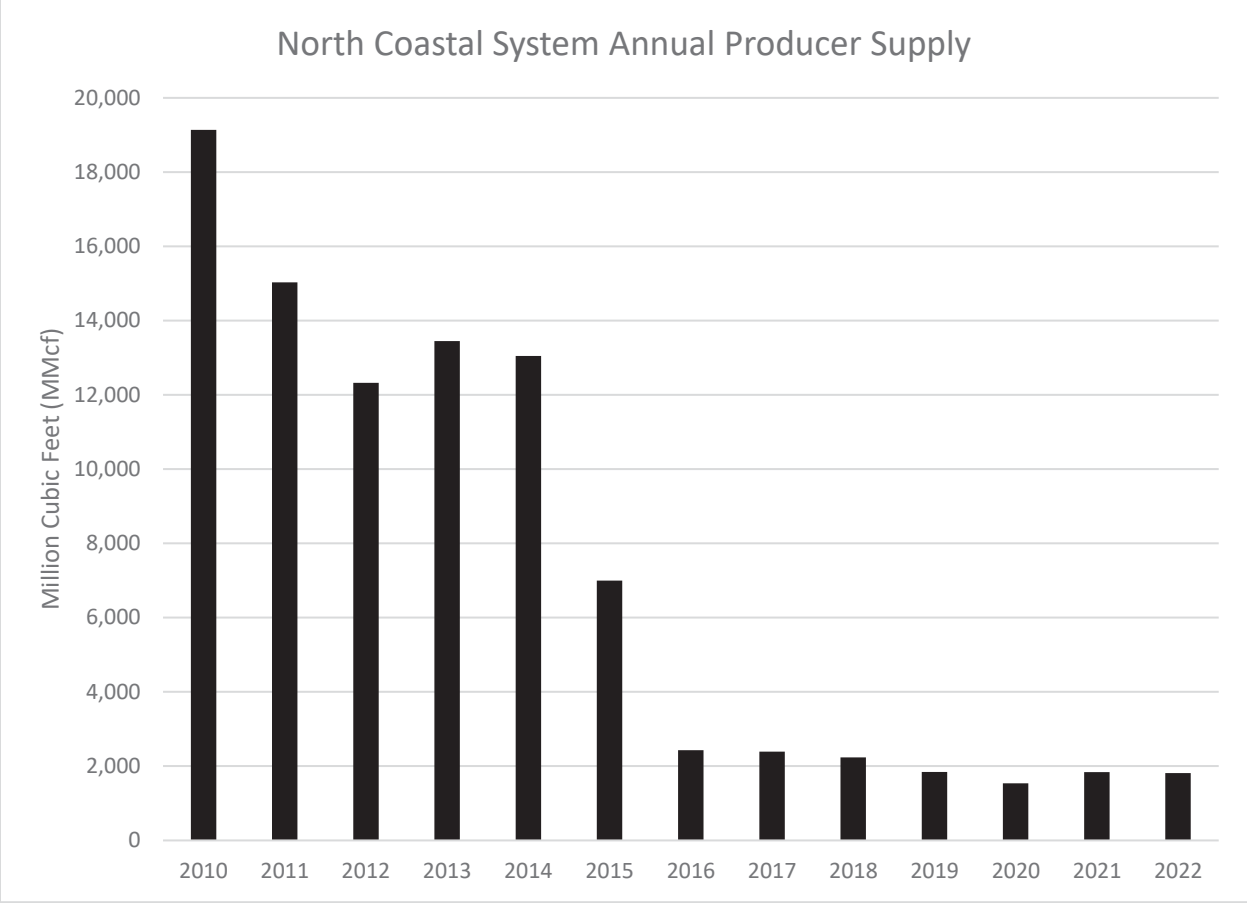

Figure 4. Coastal System Producer Annual Supply in Million Cubic Feet (MMcf)

The existing compressors at the Ventura Compressor Station have a throughput design capacity of 90 MMcfd. Now that the Ventura Compressor Station must be used to supply both customer demand in the North Coastal System (60 MMcfd) and injection into the La Goleta Storage Field (100 MMcfd) during the summer injection season, the compressors fall below the needed throughput capacity that is necessary to operate the system prudently. The Proposed

Project is designed to increase maximum throughput capacity from 90 MMcfd to 160 MMcfd, which allows the compressor station to meet system needs and restore reliability.

b. Gas Demand in the North Coastal System

While supply from local California producers has significantly decreased, gas demand in the North Coastal System has remained relatively constant over the past decade. Customers in this area are primarily core residential; however, the North Coastal System also includes businesses, industrial, electric generation, agricultural, and critical customers such as schools and hospitals. The gas demand forecast for most of the North Coastal System is estimated to average 52, 48, and 45 MMcf per day (MMcfd) in 2025, 2030, and 2035, respectively.[14] These demand estimates apply the systemwide electrification forecast of the California Energy Commission that was incorporated in SoCalGas's 2022 California Gas Report system forecast to the North Coastal System on a prorated basis. Electrification is dependent on local factors, and SoCalGas does not have electrification data specifically for this part of the system.

[14] Based on information derived from 2016, 2018, 2020, and 2022 California Gas Reports.

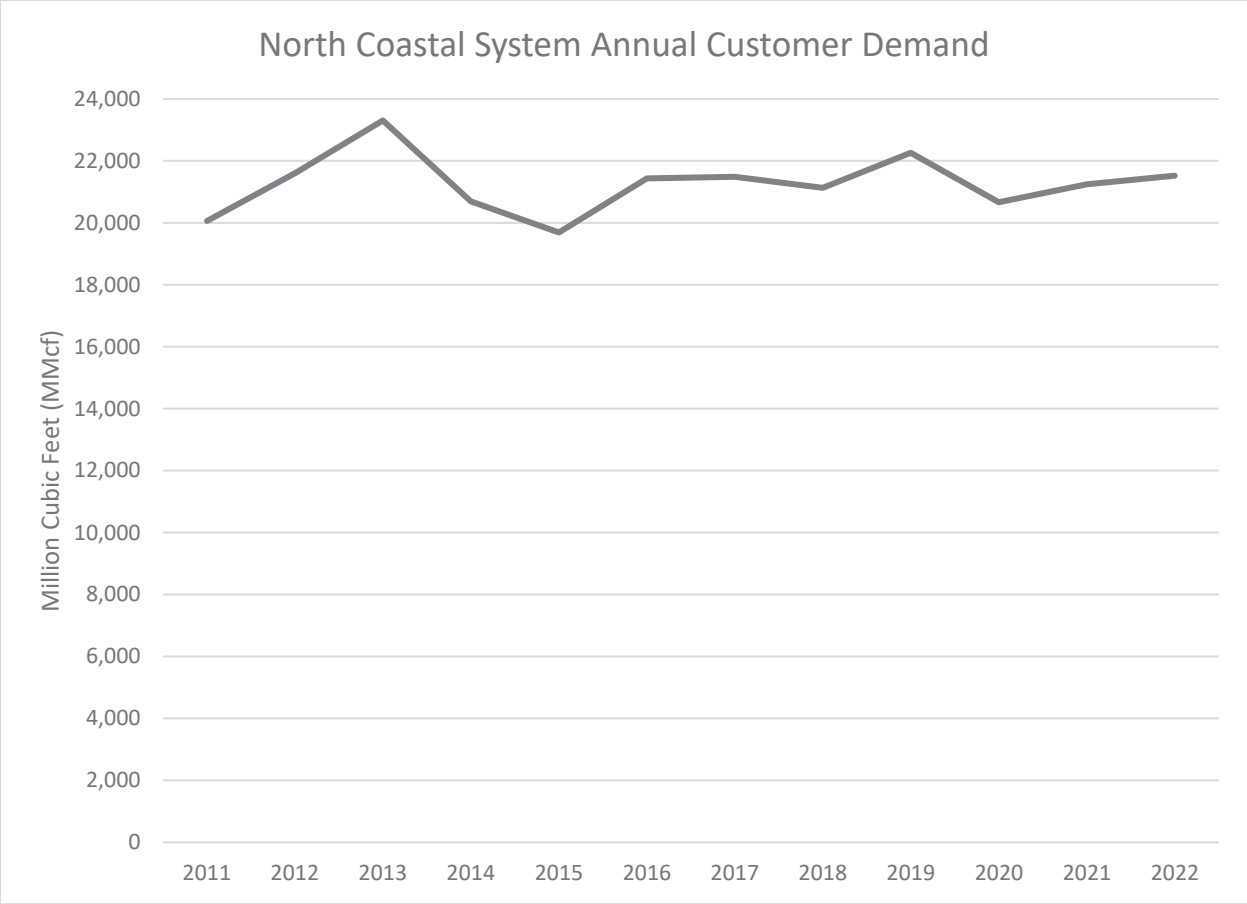

Figure 5. North Coastal System Annual Gas Demand[15]

3. SoCalGas's Obligation To Provide Reliable Service

In D.06-09-039, the Commission mandated reliability criteria of 1-in-35 year peak day demand (i.e., an event that may be seen statistically once in a thirty-five-year period) and 1-in-10 year cold day demand (i.e., an event that may be seen statistically once in a ten-year period) conditions. In the 1-in-35 year peak day requirement, all core customer demand requirements are to be met, and no non-core customers are assumed to be served. Under the 1-in-10 year cold day criteria, some (not all) non-core customers are served.

[15] SoCalGas does not produce area-specific forecasts. Figure 5 is based on a systemwide forecast that has been adjusted based on an estimate basis for the North Coastal System.

When customer demand cannot be met, SoCalGas effectuates customer curtailments according to SoCalGas Tariff Rule No. 23, "Continuity of Service and Interruption of Delivery." A curtailment action can either partially or completely reduce gas usage by a customer in order to attempt to maintain the integrity of the gas system. While curtailments of non-core customers impact business, production, etc., curtailments of core customers are particularly troublesome due to the time it can take to restore the gas system and customers to service after such an event.

SoCalGas's system relies on both pipeline and gas storage supplies to meet its reliability requirements. Maintaining storage injection capacity is critical to ensure sufficient stored gas supply is available to support withdrawal requirements on the cold days and throughout the winter operating season. Storage consists of three main components: the inventory (volume or size) of the field; the injection capacity to put gas into the field; and the withdrawal capacity (deliverability) to take gas out of the field. Inventory serves two roles: it provides a large reserve of natural gas to serve demand throughout the winter operating season, and it provides sufficient withdrawal capacity to serve demand on a daily basis. As inventory increases, pressure in the field increases, and generally withdrawal capacity will increase.

In order to meet reliability standards, it is an operating objective to fill the storage fields to their authorized capacity by the beginning of the winter operating season—November 1—and the storage fields are typically available for withdrawal through the end of the season—March 31. As inventory is withdrawn, the deliverability of the storage field decreases, thereby reducing the amount of customer demand that can be supported with stored supplies. Peak winter demand is expected to occur in December and January, so this is when the most withdrawal capacity is required; however, SoCalGas must maintain inventory in the storage fields through the end of the winter operating season. If adequate storage is not retained through the winter operating

season, customers may need to be curtailed. SoCalGas Winter Technical Assessments identify minimum inventory levels for core customer reliability.

Storage inventory is also important on anomalous days, when pipeline supplies are reduced (e.g., the Polar Vortex) or sudden demand is brought on the gas system (e.g., CAISO Exceptional Dispatch). Storage field inventory and withdrawal can and have been used to offset the lack of sufficient pipeline supplies.

4. Use of the Ventura Compressor Station

SoCalGas operates the Ventura Compressor Station to serve the purposes described above. The compressors are remotely operated and are started and stopped based on system conditions. Demand on the system is variable, but compressor output is constant; thus, there are challenges to keeping this area of the gas system balanced and operating within minimum and maximum operating pressures.

Due to the reduction in local producer supply north of the Ventura Compressor Station, the compressor operation has to respond to the variable hourly demand. Since the compressors have a consistent output, responding to the variable demand conditions can require turning the existing compressors off and then re-starting them when demand sufficiently increases. The existing compressors are also stopped and re-started in order to meet engine loading and emissions compliance requirements. Cycling the existing compressors off and then re-starting them, including multiple times a day, results in excessive wear and tear on the equipment. Modern compressors, however, are designed to allow for management of demand conditions with the compressor configuration (i.e., they are load following), thus limiting the need to turn compressors off and on, which in turn reduces wear and tear on them.

The need for compressors at the Ventura Compressor Station to respond to variable demand on the gas system should be expected to increase in the future. The integration of renewables to the electric grid has created a summer demand curve impacted by the CAISO identified "duck curve." As described above, storage is utilized when the imbalance is beyond what can be managed with the system's pipeline receipts and linepack: gas is withdrawn during periods of high demand and injected during periods of low demand to keep the system in balance. With the continued integration of renewables into the electric grid, the observed intraday imbalances may continue to increase, further bolstering the importance of storage. The La Goleta Storage Field must have the support of the Ventura Compressor Station in order to serve this important function. The Ventura Compressor Station must be operated in order to inject into the storage field. Thus, it is all the more important that the Ventura Compressor Station is able to respond to the variable supply and demand scenarios on the gas system. In this scenario, the Ventura Compressor Station is also needed to replenish any gas withdrawn from the La Goleta Storage Field during the summer, prior to the start of winter.

B. Proposed Project Background

SoCalGas owns and operates the Ventura Compressor Station, located at 1555 North Olive Street in the City of Ventura, which has been operated to meet local demand within the North Coastal System as well as to supply the La Goleta Storage Field to support local and system-wide reliability. The current site includes three 1,100 horsepower gas compressors[16] housed in a compressor building; related ancillary equipment, including piping interconnection and storage tanks, and auxiliary equipment such as gas scrubbers, a natural gas standby

[16] Each compressor is approximately 24 feet x 13 feet x 12 feet (i.e., about the size of a small bus).

generator, etc.; a temporary office trailer that provides office and administrative facilities for station staff; and temporary storage containers used for warehousing and storage.

The existing compression equipment was installed in the 1980s, and a compressor station has been in use at this site since at least 1923. This use is consistent with the General Plan[17] land use designation of "Industry," which "encourages intensive manufacturing, processing, warehousing and similar uses, as well as light, clean industries and support offices;" zoning of M-2, "General Industrial Zone," which allows for uses that include "Utility or Equipment Substations." Other existing uses in the area include crane and heavy equipment rental, petroleum extraction and well drilling, industrial supply and fabrication, and general construction/carpentry. The area is described further in the PEA at Section 5.11, Land Use and Planning.

The Ventura Compressor Station increases pressure in downstream pipelines to move gas north through the pipeline system. SoCalGas developed plans to modernize the Ventura Compressor Station to restore system integrity and reliability. The Proposed Project is a critical modernization to address changes to the operating environment of SoCalGas's integrated gas transmission system, the functionality of the existing aging infrastructure, and the critical importance of maintaining adequate inventory in the La Goleta Storage Field to support both local and system-wide reliability.

The Proposed Project includes:

---

[17] *See* City of Ventura, *Achieving the Vision 2005 Ventura General Plan* (August 8, 2005), *available at:* https://www.cityofventura.ca.gov/DocumentCenter/View/1805/2005-Ventura-General-Plan-PDF?bidId=; *see also,* City of Ventura, *2012 Westside Community Plan* (October 2012), *available at:* https://www.cityofventura.ca.gov/DocumentCenter/View/1717/October-2012---Draft-Westside-Community-Plan-PDF?bidId=. Map *available at:* https://map.cityofventura.net/zoom/genplan/docs/ventura_genplan.pdf.

(a) replacing the three existing aging natural gas compressors, each 1,100 horsepower (HP), with two new 1,900 HP natural gas compressors equipped with state-of-the art emission control technology which meet Best Available Control Technology (BACT) standards and two new electric compressors with zero NOx emissions, which will each have a maximum 2,500 HP;[18]

(b) erecting a 10,458-square foot (sf) building to house the new compressors;

(c) erecting a 4,641-sf permanent office building for support staff;

(d) erecting a 5,459-sf warehouse to store critical parts;

(e) constructing other ancillary site improvements, including installation of piping interconnection, storage tanks, and auxiliary equipment such as gas scrubbers, a natural gas standby generator, power distribution center, etc., to support operation of the new compressors; and

(f) installing a new 8-foot-tall perimeter block wall to replace the existing chain-link fence/block wall.

Construction is anticipated to take approximately 30 months from mobilization to demobilization and is expected to employ approximately 130 construction workers at peak construction activity. All construction activities will occur within the property boundary of the existing compressor station and an adjacent staging area. Approximately one year after the new compressor plant becomes operational, the existing compressor plant will be decommissioned, dismantled, and demolished. The existing concrete slab and foundation will remain. The

[18] SoCalGas has not yet selected the precise electric compressors that will be installed.

existing temporary trailer used for office space will be removed upon completion of the administration building.

Operation of the modernized facility will require 4 employees (1 more than currently utilized[19]) who will be on site during normal business hours, and the facility will be monitored remotely 24 hours a day, every day. To further minimize NOx emissions under normal operations, the new compression equipment will operate such that the electric compressors will be the first on and the last off. This means that, except for when the La Goleta Storage Field is on injection, the gas compressors will most likely not be in use.

C. Need for the Proposed Project

The need for the Proposed Project is driven by:

- A changed operating environment caused by significant reductions in locally produced gas supplies, necessitating operating requirements that differ from those for which the existing equipment was sized and designed, i.e., based on the significant reduction in availability of local supplies, there is a need for additional compression power;
- The inability of the existing infrastructure (installed almost forty years ago) to support reliability; and
- The critical importance of maintaining adequate inventory at the La Goleta Storage Field, which impacts reliability in the North Coastal System as well as the reliability of SoCalGas's entire system.

[19] SoCalGas sought rate recovery for one incremental position in its pending general rate case.

1. Changed Operating Requirements Resulting from Reductions in Locally Produced Gas Supplies.

Customer demand on the North Coastal System has been relatively stable over the last several years; however, gas supplies from local California producers have decreased drastically over the same period. Figure 6 depicts North Coastal System customer demand compared to the decline in local producer gas supply since 2010.

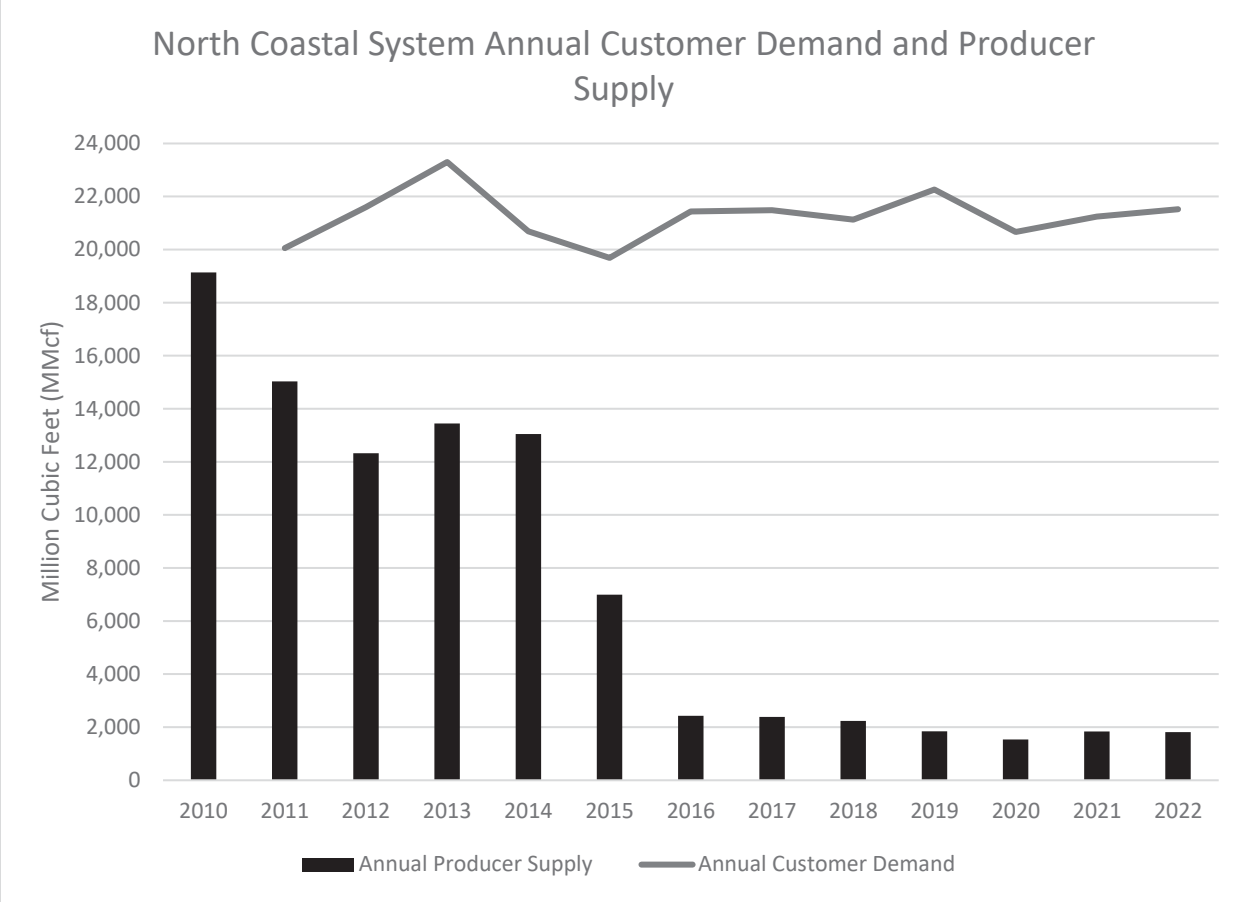

Figure 6. North Coastal System Annual Customer Demand and Producer Supply Chart[20]

According to the California State Oil and Gas Supervisor Annual Report 2020, California natural gas production peaked in 1985 and has shown an average annual decline of 3 percent

[20] Figure 5 depicts a systemwide forecast that has been applied as an estimate basis for the North Coastal Region as SoCalGas does not produce area-specific forecasts.

since. The report also indicates that at the State level there has been an acceleration in the decline since 2011. This decline is depicted in Figure 7. Furthermore, the report indicates that the natural gas production in their Northern District, which is where the SoCalGas North Coastal System production was supplied, has dropped drastically since 2008. The Northern District natural gas production is shown in Figure 8.

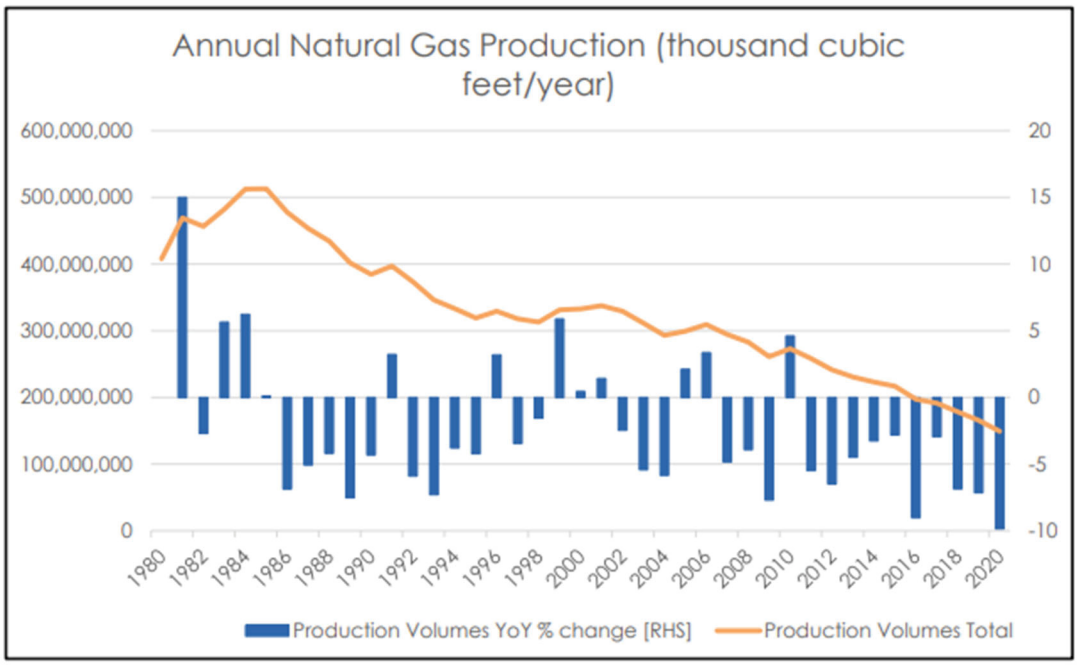

Figure 7. California Annual Natural Gas Production (California State Oil and Gas Supervisor Annual Report 2020)[21]

[21] California Department of Conservation, *California State Oil and Gas Supervisor Annual Report 2020* at 7; *available at*: https://www.conservation.ca.gov/calgem/Documents/Final%20CalGEM%20Supervisor%20Annual%20Report%202020%20-%202023.05.30.pdf.

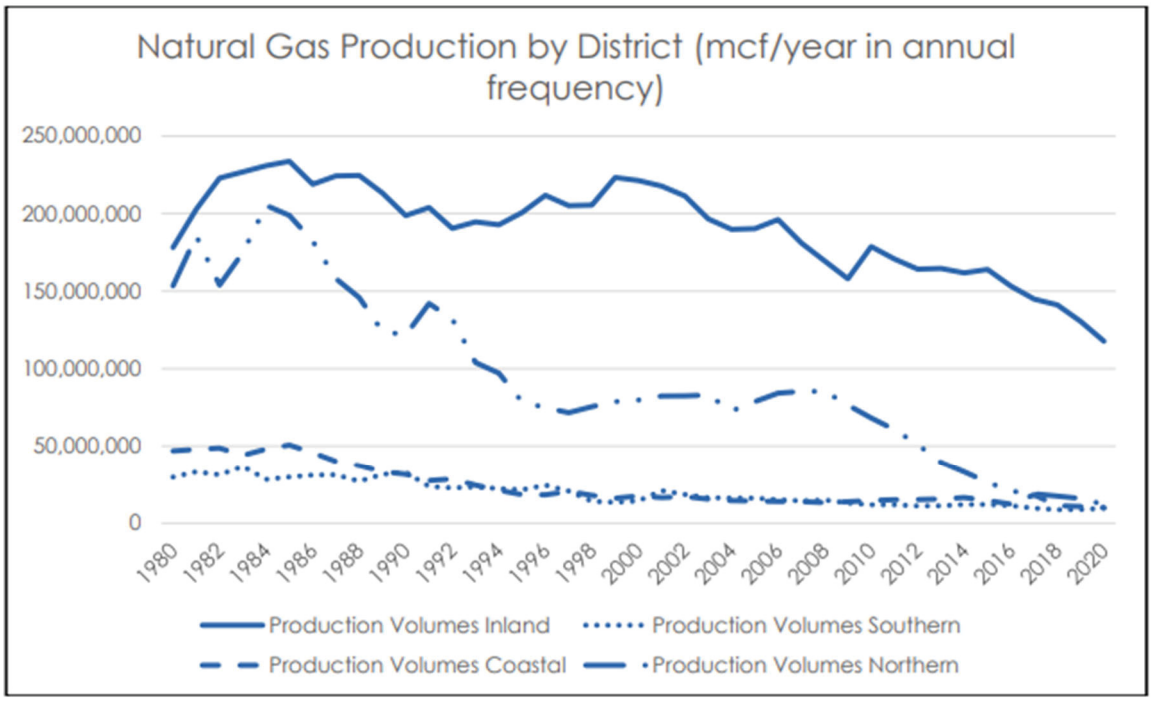

Figure 8. California Annual Natural Gas Production by District (California State Oil and Gas Supervisor Annual Report 2020)[22]

The North Coastal System historically received much of its gas supply from local California producers, and was supplemented as needed with gas compressed through the Ventura Compressor Station. When the existing compressors at the Ventura Compressor Station were configured in the 1980s, they were sized taking into account local producer daily supply of 50 to 90 MMcfd. That assumption was true at the time but no longer is: currently, *10 MMcfd or less* (or roughly 85% less supply than historically) is typically received from local production. This decrease in local supplies has increased reliance on the Ventura Compressor Station to compress gas to serve customer demand (about an additional 70 MMcfd) and has reduced SoCalGas's ability to consistently inject gas at the La Goleta Storage Field. In response to the decline in local supplies, SoCalGas reduced the injection capacity of the La Goleta Storage Field by 50

[22] *Id.* at 8.

MMcfd and posted this reduction to its electronic bulletin board, ENVOY©. This reduction in capacity took place in March 2013, and the limitation is still in effect.

2. The Inability of the Existing Infrastructure to Support System Reliability.

The California energy landscape has changed in meaningful ways since the 1980s and today presents different pipeline flow requirements and reliability challenges than were present and considered in the basis of design for the existing Ventura Compressor Station infrastructure. The existing facility and horsepower provided was sufficient in the past, but today's conditions—given the steep decline in the availability of local supplies north of the compressor station—necessitate redistributing gas (approximately 70 MMcfd)[23] from the south to support reliability in the North Coastal System, where gas demand is expected near existing levels over the next decade. The changed operating conditions have simultaneously bolstered the criticality of the Ventura Compressor Station while increasing strain on the aging infrastructure.

Operational needs dictate the frequency with which the compressors operate. Currently, the three existing compressors operate to maintain system integrity based on system conditions, which may warrant one, two, or all three compressors to run simultaneously. During the summer operating season, when SoCalGas is injecting into the La Goleta Storage Field, typically all three existing compressors are on. When the storage field is not on injection, one or two compressors may be running. In recent years, each compressor has run an average of approximately 4,000 hours per year (i.e., they are running less than half the time). Operating hours indicate the amount of time a unit is operating, but they do not convey overall system demand requirements.

[23] Diverting the gas from the south to the north does not increase SoCalGas's system capacity, nor does it serve an increased gas demand. Rather, it compensates for the loss of gas supply by local producers through the redistribution of gas and allows SoCalGas to serve demand in the North Coastal System while restoring injection capacity at the La Goleta Storage Field.

Demand varies on a daily basis and currently, during peak demand, all units are essential to maintain system reliability.

Operating the compressor units in an environment for which they were not designed (e.g., without historical levels of local supply to serve demand in the North Coastal System) requires them to be run outside of their optimal ranges, which can cause increased wear and tear. Running the equipment outside of optimal ranges can also impact emissions. Thus, SoCalGas is additionally constrained in its operation of the existing infrastructure to operate within the compressor design limits and to remain in compliance with local emissions permitting requirements. These limitations and other challenges to continued operation and reliability of the units has necessitated an additional 20 MMcfd reduction of La Goleta Storage Field injection capacity since 2017 (in addition to the 50 MMcfd reduction in 2013 noted above, for a total existing reduction of 70 MMcfd).

SoCalGas has observed equipment outages at the Ventura Compressor Station. In response, SoCalGas has performed complete overhauls of the compressors and increased preventative maintenance activities to attempt to improve reliability and extend the life of the assets. However, these activities cannot sustain the existing infrastructure indefinitely.

Moreover, other facilities on the SoCalGas system experience planned (e.g., mandated integrity management work) and unplanned (e.g., the 2018 Montecito mudslides) outages from time to time that increase reliance on the Ventura Compressor Station and its ability to replenish inventory at the La Goleta Storage Field. In addition, the La Goleta Storage Field is required to be shut in to undergo inventory verification twice each year, for approximately 7 days each. Thus, for two weeks each year, the North Coastal System is completely dependent on the concurrent availability of the Ventura Compressor Station. The modernized facility, with newer

infrastructure and increased horsepower, would help support the North Coastal System when there are facility outages.

Modernization of the compressor station infrastructure is required to allow gas to be redistributed from the south to the north to address the changed operating environment and serve North Coastal Systems customers reliably while also injecting into the La Goleta Storage Field to authorized capacity to support reliability to all SoCalGas customers. The current compressor station configuration cannot compress and flow the 160 MMcfd of gas that is currently needed for reliable system operation in the summer operating season, nor the 120 MMcfd of gas that is required to be flowed in the winter operating season.

The Proposed Project would replace the existing compressors with a more powerful configuration with increased efficiency and less NOx emissions and would install auxiliary equipment that would resolve the 70 MMcfd injection capacity reductions at the La Goleta Storage Field. Table 1 below identifies the updated design operating parameters for the Proposed Project. The design parameters compensate for the changed summer operating season conditions by establishing an increased station flow rate (to replace the diminished local producer supplies) at the suction pipeline minimum operating pressure. This modernization at the Ventura Compressor Station will restore injection capacity at the La Goleta Storage Field while meeting customer demand. The design conditions also compensate for the changed winter operating season parameters by increasing the station flow rate, which aids in meeting customer demand when La Goleta Storage Field is unavailable or has very limited withdrawal deliverability. With the loss of significant supply from local producers into the North Coastal System, customers are even more dependent on the Ventura Compressor Station and the La Goleta Storage Field, so both must be optimized.

Season	Ambient Temperature (°F)	Suction Pressure (psig)	Discharge Pressure (psig)	Flow Rate (MMcfd)
Winter	55	325	1000	120
Summer	80	450	1000	160

Table 1. Proposed Project Design Parameters

Compressor station infrastructure includes not only the compression equipment, but also ancillary equipment such as compressor foundations, piping, piping supports, pipe appurtenances, electrical infrastructure, instrumentation, and control system (i.e., a compressor plant). Like the actual compressors, the supporting equipment is also past its design life and should be modernized. Constructing a new compressor plant with new ancillary equipment while the existing plant remains in operation will allow for continuity of service to SoCalGas customers.

3. The critical importance of maintaining adequate inventory in the La Goleta Storage Field, which impacts the reliability of SoCalGas's entire system.

SoCalGas uses its storage fields, like La Goleta, to meet customer demand during both the summer and winter operating seasons. The ability to maintain adequate inventory at the La Goleta Storage Field is an operational requirement for SoCalGas's entire system. Compression at the Ventura Compressor Station directly impacts the ability to inject gas into the La Goleta Storage Field. As locally produced gas decreases, gas supplies must be redistributed to compensate for the loss. The current Ventura Compressor Station infrastructure is inadequate to meet both customer demand in the North Coastal System and consistently fill the La Goleta Storage Field to authorized capacity in the summer operating season—which is necessary to promote reliability to the North Coastal System and the entirety of SoCalGas's system.

If the La Goleta Storage Field inventory were drawn down to its minimum levels during the winter operating season, the existing Ventura Compressor Station infrastructure would likely not be able to allow the field to be refilled in the summer operating season to levels sufficient to support reliability the following winter operating season (i.e., roughly 100 MMcfd would need to be injected into the La Goleta Storage Field if the field inventory is drawn down to zero). This loss of stored gas supply would additionally impact the deliverability from the storage field during the subsequent winter operating season (i.e., less gas stored in the field results in a lower field pressure, which in turn results in a lower withdrawal rate) and may impact the ability to maintain sufficient gas supply to meet customer demand through the entire winter operating season. As a result, SoCalGas attempts to manage its system to maintain 7.5 Bcf at the La Goleta Storage Field through March each winter to improve the likelihood of reaching inventory objectives for the next winter operating season; however, conditions may not allow for that inventory management. This means that, even when the La Goleta Storage Field is filled to its authorized capacity in the summer operating season, SoCalGas is only utilizing 65% of the authorized level of 21.5 BCF.

The existing compressor station design and reduced producer supply present challenges to reaching the desired inventory levels at the La Goleta Storage Field that are outside SoCalGas's control. In general, the SoCalGas system operator does not know in advance how much gas will be used from any storage field heading into the winter operating season. Because of the unknown, the prudent operating objective is to fill all fields prior to the November 1 start of the winter operating season to support both peak day and total season demand. The first challenge is that storage utilization is impacted by weather. SoCalGas cannot assume whether future weather will bring more or less storage utilization. A reliable system should be able to

handle back-to-back seasons at the system design specification. This means that SoCalGas, in its system design, should be able to fill storage fields while sustaining an extreme winter operating season. When such back-to-back seasons may occur is generally unknown, but it is prudent to plan to have the flexibility to sustain them. Another challenge is that it is unknown how much storage withdrawals will be utilized to support electric generation demand in the summer operating season. Electric generation demand can be impacted by both the availability of renewable electricity, available imports, and operating circumstances (such as wildfires, Public Safety Power Shut-off (PSPS) events and system maintenance). Increased demand in the summer operating season increases the likelihood of utilizing withdrawals from storage fields to support customer demand. Those withdrawals need to be offset by additional injection to restore inventory at the storage fields prior to entering the winter operating season.

Yet another challenge is that required maintenance activities can impact utilization of storage fields. The Transmission Integrity Management Program (TIMP) routinely inspects pipelines for anomalies and at times may identify the need for pipeline maintenance which can implicate pressure reduction or even pipeline outages. This activity can impact which storage fields can be injected into or withdrawn from. SoCalGas also has pipeline pressure testing requirements (e.g., the Pipeline Safety Enhancement Plan and the Gas Transmission Safety Rule). These pressure tests can also result in impacts constraining which storage fields can be injected into or withdrawn from. Moreover, storage utilization is impacted by the Aliso Canyon Withdrawal protocol. Under today's protocols, SoCalGas cannot assume the Aliso Canyon Storage Field is available on a daily basis. It is only available when certain criteria are met, which are mostly market driven through the SoCalGas Operational Flow Order (OFO) structure. This protocol inherently puts a higher load on SoCalGas's other storage fields (La Goleta, Playa

del Rey, and Honor Rancho), incremental to the demands placed on the La Goleta Storage Field due to diminished local supplies. Completing the Proposed Project in a timely fashion increases the likelihood of overcoming these and other challenges when they arise.

Since the La Goleta Storage Field injection capacity reduction was posted to ENVOY in 2013, SoCalGas was not able to achieve full, or even nearly full, status by the beginning of the winter operating season on two occasions. Figure 9 shows inventory levels at the La Goleta Storage Field at the end of the summer and winter operating seasons. In 2019, the end of winter operating season inventory at La Goleta Storage Field was less than 9,000 MMcf. By the start of the next winter operating season on November 1, 2019, SoCalGas was only able to fill the La Goleta Storage Field to 16,918 MMcf, which is less than 79% full. Similarly, inventory at the La Goleta Storage Field at the end of winter operating season in 2017 was 10,304 MMcf and, as a result, SoCalGas was only able to fill the field to 17,673 MMcf by November 1, 2017. Had these conditions been combined with a cold winter, SoCalGas may not have been able to serve winter customer demand.

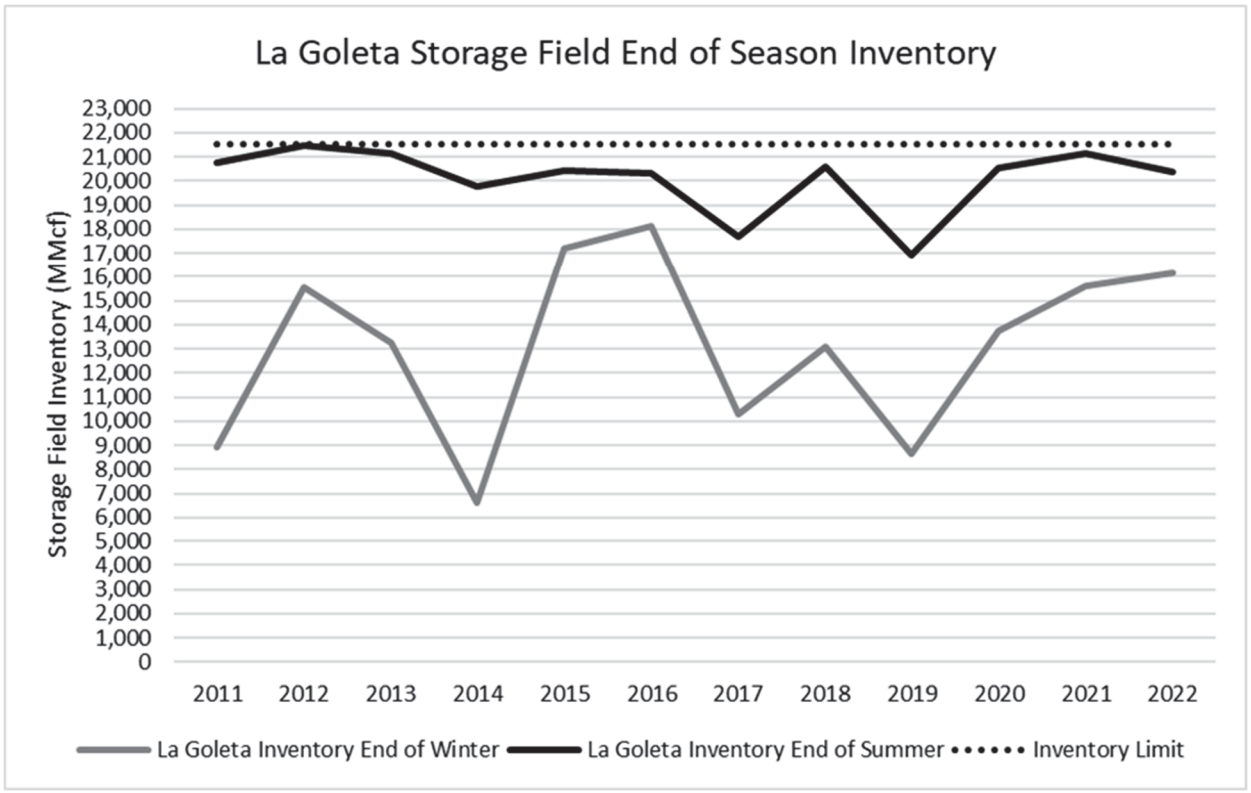

Figure 9. La Goleta Storage Field End of Season Inventory Chart

The following chart illustrates what could happen during consecutive cold winter seasons on the North Coastal System with the existing equipment at the Ventura Compressor Station. Using data from the 2022 summer operating season and 2022-2023 winter operating season, including mandatory shut-ins at the storage field (as discussed further *infra*), inventory at La Goleta cannot be fully recovered even with all existing units at Ventura Compressor Station in continuous service and supply delivered directly on a North Coast System facility is consistently and regularly available. When an upset is factored in, such as a compressor unit is out of service for an extended period or North Coast Supply is unavailable, the situation is even worse.

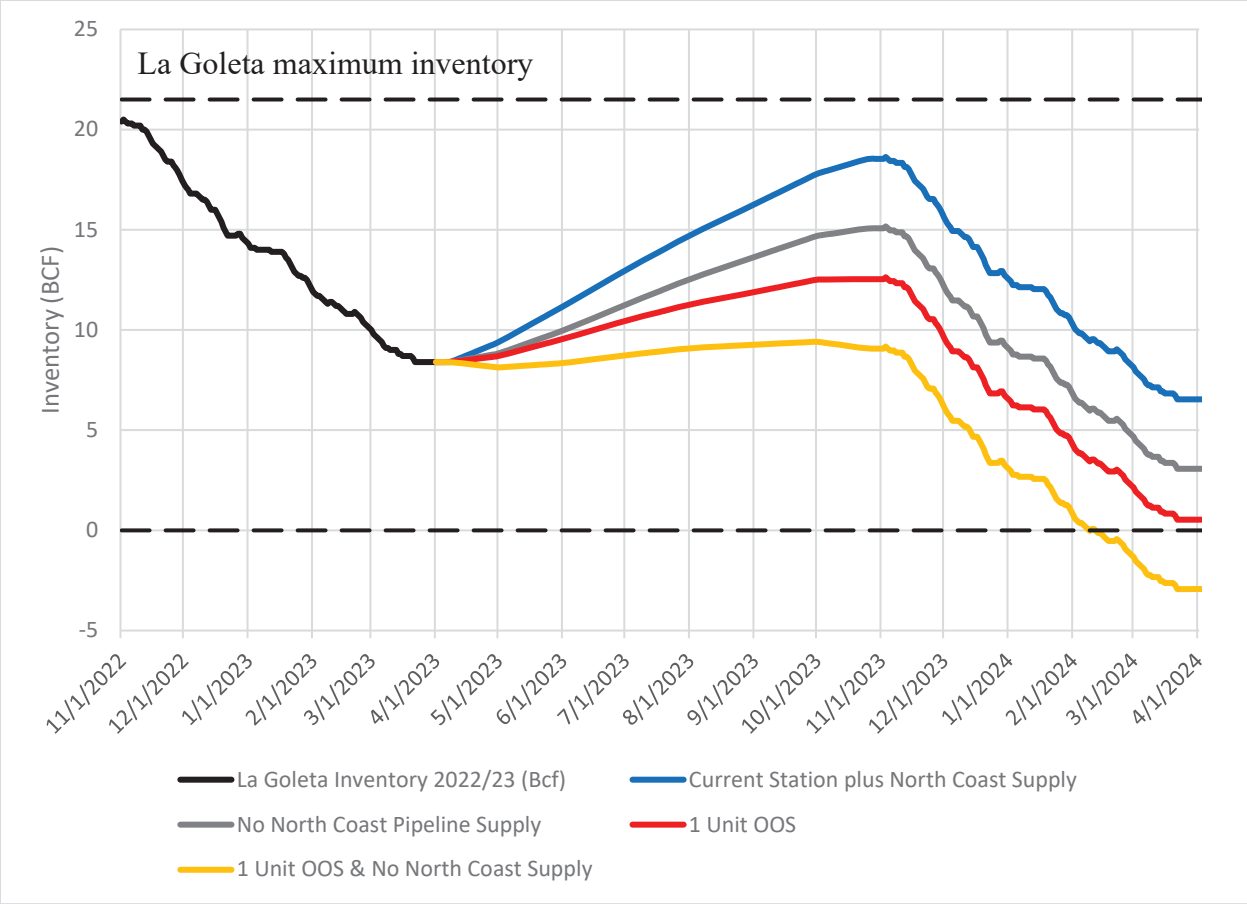

Figure 10. La Goleta Inventory Projection with Winter 2022/2023 Withdrawal

The existing compression equipment at the Ventura Compressor Station does not allow for the inventory at the La Goleta Storage Field to be fully recovered year after year if the examination begins with the field fully depleted at the end of the winter operating season. The Proposed Project would change this and would allow for the storage field to be fully depleted in the winter operating season and still be filled during the summer operating season (even allowing for periodic withdrawals during the summer operating season) such that it is at or near authorized capacity at the start of the next winter operating season. Figure 11 depicts the difference in performance between the existing compressors and the new compressors installed by the

Proposed Project under the conditions of the prior summer (2022) and winter (2022-2023) operating seasons, accounting for actual inventory shut-in outages.

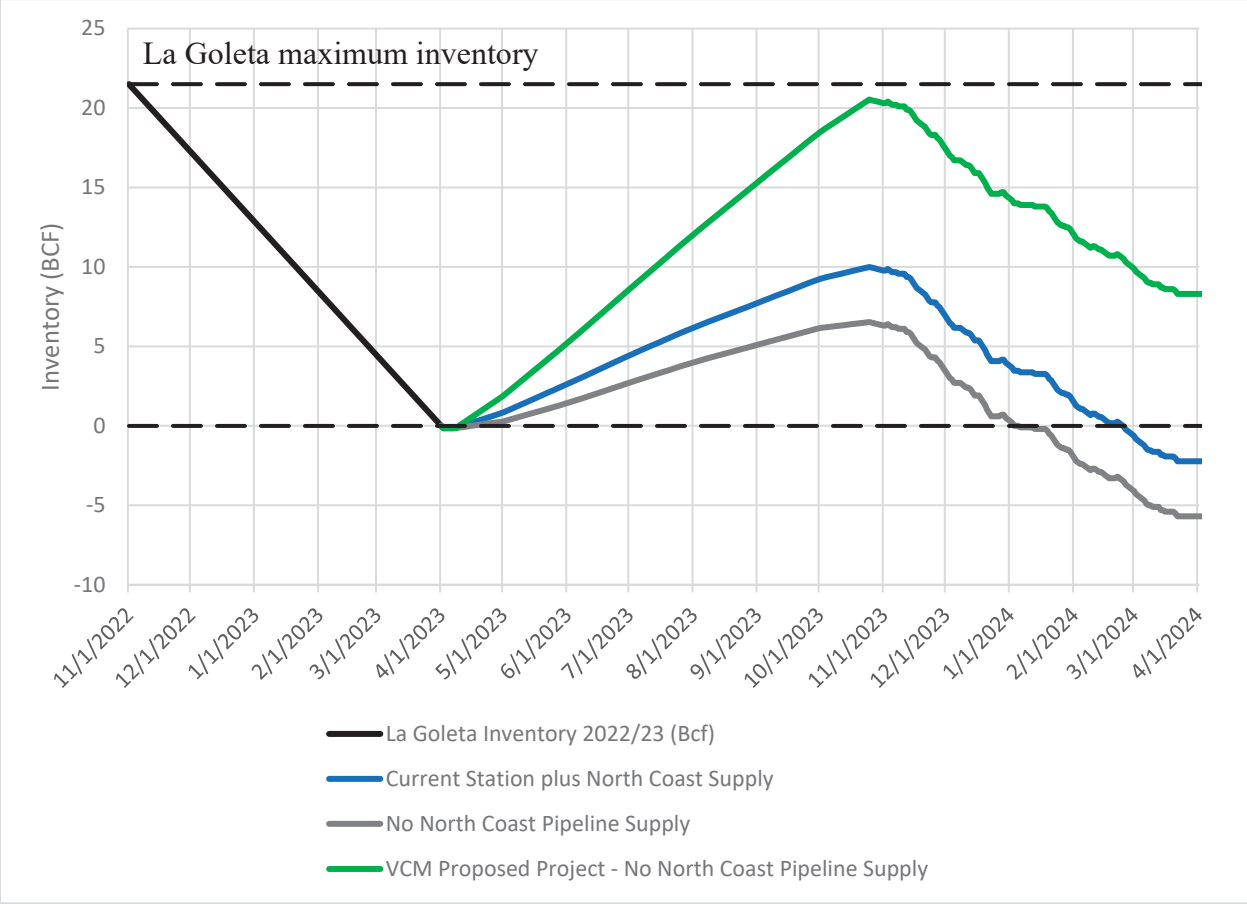

Figure 11. La Goleta Inventory Projection with Proposed Project and Winter 2022/2023 Withdrawal

It is important for the necessary injection capacity to account not only for what is necessary to fill the La Goleta Storage Field in the event its inventory is completely utilized in the winter; but also amounts necessary to compensate for additional withdrawals in the summer operating season while still re-filling the storage field to authorized capacity by the start of the next winter season. Since 2015, SoCalGas has observed an increase in withdrawals from the La Goleta Storage Field during the summer operating season, as shown in Figure 12. Summer operating season withdrawals can indicate, among other activities, support of electric generation

demand on the SoCalGas system as it is a primary driver of high gas demand that time of year. This type of summer activity is expected to increase through the energy transition.

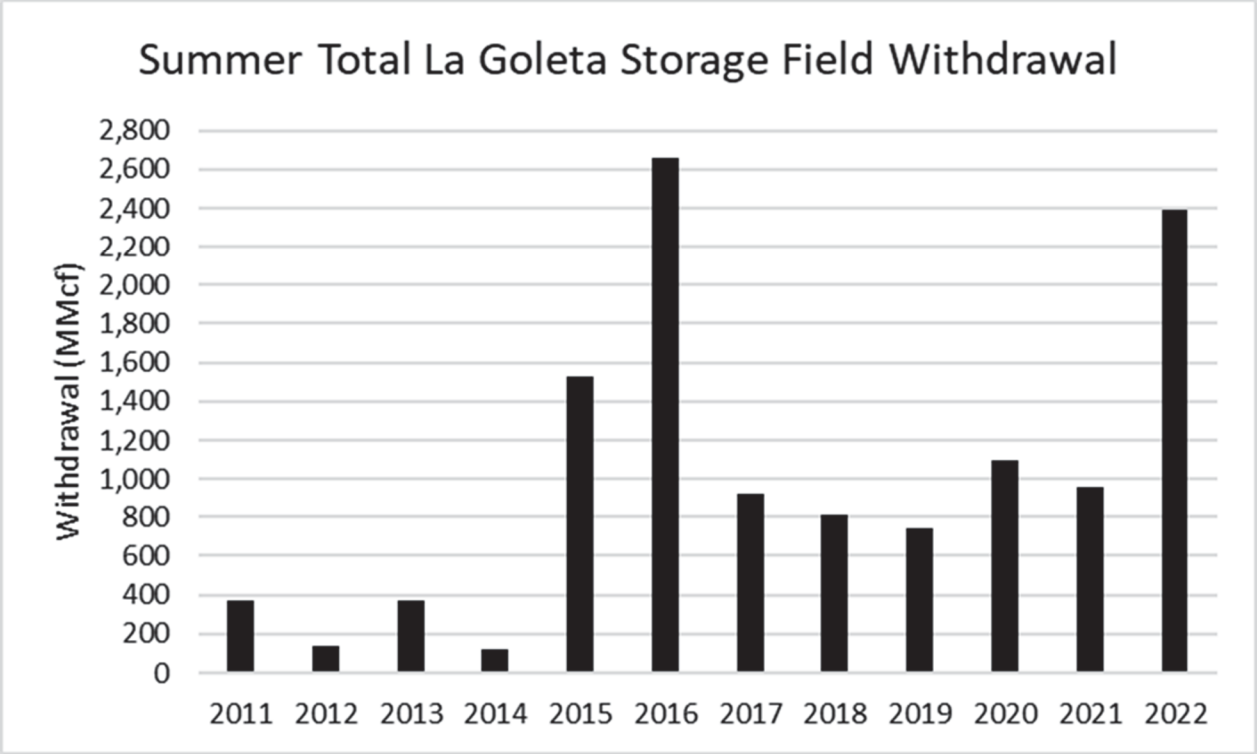

Figure 12. La Goleta Storage Field Summer Withdrawal Totals

The existing Ventura Compressor Station infrastructure cannot both meet customer demand and fill the La Goleta Storage Field in the summer operating season if the field inventory declines below 7.5 Bcf at the end of the prior winter operating season. As described above, this could be problematic in the event of a cold winter because the full inventory could not be accessed without posing enormous risks for the following winter operating season. The Proposed Project would allow for the removal of the constraint to keep La Goleta Storage Field inventory above 7.5 Bcf, which in turn allows for full utilization of the inventory during the winter operating season while still having the ability to fill the field to its authorized capacity in the summer operating season.

D. Purpose of the Proposed Project

For 100 years, the Ventura Compressor Station has supported local and system-wide reliability by providing necessary pressurization to help keep gas moving through the pipelines. Today, this allows SoCalGas to meet two distinct yet interrelated purposes: (a) to serve core and non-core customer demand in the North Coastal System; and (b) to supply gas to the La Goleta Storage Field for injection and storage, which, in turn, supports future customer demand and reliability both in the North Coastal System and across the entirety of SoCalGas's system.

The Proposed Project serves four purposes related to these core functions:

- Improve reliability and increase resiliency of the Ventura Compressor Station infrastructure;
- Maintain and improve reliability of natural gas service in the North Coastal System for residential, business, industrial, electric generation, and agricultural customers by providing sufficient compression capability;
- Maintain and improve SoCalGas system-wide reliability and promote affordability by supporting adequate gas deliveries to the La Goleta Storage Field; and
- Reduce emissions by modernizing the compressor station infrastructure.

1. Improve Reliability and Increase Resiliency of the Ventura Compressor Station Infrastructure.

The compression and related auxiliary equipment at the Ventura Compressor Station will be more than 40 years old by the time they can be retired after the Proposed Project goes into service. This will be well past their design life of 30 years. Moreover, the three existing compressors have undergone excessive wear and tear due to needing to be run outside their

optimal ranges since 2013, when local producer supply of gas dropped significantly. The compressors are subject to rigorous maintenance practices, many of which require the compressors to be taken out of service. Table 2 below shows the number of maintenance events and days the compressors have been out of service. Outages are expected to increase in the future given the age of the equipment and the level of use. The equipment must be replaced before they give out, without a backup, given the critical importance of the Ventura Compressor Station to support system-wide reliability.

	2016	2017	2018	2019	2020	2021	2022	7-Year Total
Maintenance events per year	10	19	10	18	14	7	5	**82**
Number of days with 1 or more unit out of service	33	190	30	101	94	50	74	**552**

Table 2. Number of Maintenance Events and Outages

While it may appear that maintenance events reduced in 2018 and again in 2020, this data must be contextualized with the facts that SoCalGas adopted a second reduction in capacity at the La Goleta Storage Field in 2017 due to mechanical limitations of the compressors, and thus the use of the compressors was further limited; and, moreover, SoCalGas conducted extensive overhauls on all three compressors in 2019 and 2020 to promote their continued operation, even within their limited functionality.

The modernization of the Ventura Compressor Station facility contemplated by the Proposed Project includes replacement of three aging high-speed reciprocating natural gas-driven compressors and ancillary equipment with a hybrid compressor station configuration composed of both electric and gas compressors. A modernized facility includes the compressor plant

ancillary equipment (pipeline appurtenances, electrical infrastructure, instrumentation, control system, etc.) needed to integrate the new compressor plant to the pipeline network and facilitate the operation of the hybrid compressor design. The Proposed Project is expected to yield benefits that include reduced NOx emissions, increased efficiency, and improved reliability. Moreover, the hybrid configuration will provide resiliency in the event of power outages.

2. Maintain and Improve Local Reliability by Providing Sufficient Compression Capability.

Approximately 238,000 customers are located north of the Ventura Compressor Station and are directly impacted by the operation of the existing station. Customers in this area are primarily core residential, and also include business, industrial, electric generator, and agricultural customers. The compressor station is necessary to increase pressure in the pipelines that serve customers north of Ventura in order to safely and reliably meet their energy needs for cooking, heating, and other end uses. It is the last compressor station that supplies SoCalGas's North Coastal System and the main feed to customers in Ventura and on the Central Coast.

Since the decline in local producer supply since 2010, almost all the gas supplied to the North Coastal System passes through the Ventura Compressor Station. As noted above, the Ventura Compressor Station was not sized and designed in the 1980s to serve this additional purpose. Thus, not only does the aging infrastructure need to be replaced; it also must have increased compression power to support reliability.

The Proposed Project will allow SoCalGas to redistribute gas from other areas of its gas transmission system to make up for the loss of locally produced gas supply, thereby continuing to support reliable gas delivery to customers in the area. In order to accommodate this needed change, i.e., divert the supply from other areas of SoCalGas's gas transmission system to the area

north of Ventura Compressor Station, the Proposed Project provides additional compression horsepower. Moreover, the Proposed Project prudently offers dual energy-source compressors to mitigate against outages.

3. Maintain and Improve System Reliability and Promote Affordability by Supporting Gas Deliveries to the La Goleta Storage Field.

Ventura Compressor Station increases pressures in the pipelines that traverse from Ventura north to the La Goleta Storage Field. This pressure increase is necessary to maintain the minimum pressures required both for injection at the La Goleta Storage Field and for customer demand served by the pipelines. As described in further detail above, injection into storage fields is critically necessary to restore gas supplies prior to the beginning of each winter operating season, when the storage fields are typically on withdrawal to support reliability and affordability in the winter months. In order to do this, SoCalGas must inject sufficient gas into the storage field during the summer operating season (when gas prices are typically lower). However, based on the decline in local producer supply, SoCalGas can only inject into the La Goleta Storage Field supplies in excess of demand in the North Coastal System. This means that, during the summer operating season, enough gas must be compressed through the Ventura Compressor Station to serve demand in the North Coastal System and inject into La Goleta Storage Field to its authorized capacity. However, the existing compression equipment cannot do this; indeed, there has been a reduction in injection capacity posted for the La Goleta Storage Field for many years.

The Proposed Project would remove this limitation. The new compressors would be sized for the tasks required in today's operating environment and would improve the throughput capacity of Ventura Compressor Station such that full injection capacity at the La Goleta Storage Field can be restored while retaining the ability to meet customer demand in the North Coastal

System. As noted above, adequate supplies at La Goleta Storage Field support reliability not only in the North Coastal System, but throughout SoCalGas's territory as well as the integrated gas and electric system. The Proposed Project therefore improves system reliability and promotes affordability by supporting gas deliveries to the La Goleta Storage Field.

4. Reduce Emissions by Modernizing the Compressor Station Infrastructure.

The Proposed Project contemplates replacing equipment from the 1980s, including the existing engine compressors with modern engine compressors. The hybrid configuration will include two gas engine compressors equipped with state-of-the art emission controls that will meet Ventura County Air Pollution Control District requirements including Best Available Control Technology (BACT) and two electric driven compressors. The Proposed Project reduces permitted nitrogen oxide (NOx) emissions and reactive organic carbon (ROC) emissions by 75% as compared to the existing facility; and even further reductions may be realized from SoCalGas's commitment to prioritize the new electric compressors as "first on" and "last off" during normal operations of the facility. NOx and ROC are precursors to ozone, which is a non-attainment pollutant in Ventura County.

E. Objectives of the Proposed Project

Refer to Section II, *supra*, for the Proposed Project objectives.

F. Description

Refer to the PEA at Section 3.

G. Location

The Proposed Project will be executed at SoCalGas's 8.4-acre Ventura Compressor Station property located at 1555 North Olive Street in the City of Ventura (APN 068-0-142-030). The site is designated by the Ventura City General Plan as "Industry" and is zoned by the

Ventura City Municipal Code as "M-2 General Industrial." Industrial uses surround the site on the north, west, and south; across the street from the site to the east is E.P. Foster Elementary School. Industrial uses in the area currently include crane and heavy equipment rental, petroleum extraction and well drilling, industrial supply and fabrication and general construction/carpentry.

SoCalGas owns the property in fee, and the property has been used as a gas compressor station since at least 1923. Additional information regarding the location for the Proposed Project is provided in the PEA at Section 3.1.1, Site Setting.

H. Procedural History

The Commission has already twice recognized the critical importance of having an optimally functioning Ventura Compressor Station. As described below, in 2016 the Commission approved a settlement that included increasing the horsepower at the Ventura Compressor Station, and in 2019 the Commission authorized replacing much of the infrastructure at the Ventura Compressor Station (also authorizing the funding for the project).

1. 2016 GRC Application

In its 2016 General Rate Case (GRC) application filed with the Commission in November 2014,[24] SoCalGas's rate request included a detailed projection of estimated cost to deliver natural gas from 2016 to 2019. The Direct Testimony of Raymond K. Stanford (Gas Engineering) proposed improvements to the Ventura Compressor Station, including an increase in horsepower from 3,300 to 15,000:

> Future utilization of this station is to meet Goleta's summer injection requirements and to meet the summer load gas demand on the coastal system impacted by a reduction in local gas production, namely from Pacific Offshore Production

[24] *See* A.14-11-004.

Company site. Meeting these needs will require 15,000 horsepower at the Ventura Station.[25]

Upon adoption of several settlement agreements in 2016, the 2016 GRC revenue requirement was authorized.

2. 2019 GRC Application

Following the authorization, SoCalGas conducted additional engineering analysis for the Ventura Compressor Station project that resulted in deviations to the cost and scope of work included and authorized in the prior GRC. Accordingly, in October 2017, SoCalGas included the revised cost and scope of work in its 2019 GRC application.[26] As described in the Joint Direct Testimony of Michal A. Bermel and Beth Musich (Gas Transmission) dated October 6, 2017, additional engineering review concluded that: "[C]ontinued reliance upon sixty-year old mechanical and supporting infrastructure would not yield the forward-looking reliability metrics to support SoCalGas' operational needs… SoCalGas' objectives could better be achieved by replacing much of the supporting infrastructure at the plants in addition to the base compressor units."[27]

The CPUC authorized the compressor modernization project and the necessary funding, recognizing the importance of maintaining operational reliability and safety of the gas transmission system:

> *With respect to the requested amounts for this GRC, we note that other largescale projects are being planned specifically for the Ventura Compressor Station and the Honor Rancho Compressor Station (and the Moreno Compressor station for*

---

[25] A.14-11-004, Direct Testimony of Raymond K. Stanford (Ex. SCG-07) at RKS-70, *available at:* https://www.socalgas.com/regulatory/documents/a-14-11-004/SCG-07_R__Stanford_Testimony.pdf.

[26] *See* A.17-10-008.

[27] A.17-10-008, Joint Direct Testimony of Michal A. Bermel and Beth Musich (Gas Transmission) (Ex. SCG-07) at MAB-21, *available at:* https://www.socalgas.com/regulatory/documents/a-17-10-008/SCG-07%20Musich%20and%20Bermel%20Prepared%20Direct%20Testimony.pdf.

SDG&E). Because we recognize the importance of the proposed projects and the role of compressor stations in maintaining operational reliability and safety of the gas transmission system, we find that it is prudent and reasonable to authorize the proposed projects and for SoCalGas to have the necessary funding to conduct these projects (and Moreno Compressor station for SDG&E). At this point, we do not find it necessary to deviate from current GRC practice and authorize funding only for specific projects because of the large scope covered in the GRC and because of the many challenges associated with planning and executing multiple and large projects within a specified timeframe. We do however encourage SoCalGas to place a high priority on critical projects under this category as most of its compressors are over 50 years old and because of key risks that need to be mitigated in this area. Therefore, we find that the requested amounts for Compressor Stations should be authorized.[28]

Compressor projects are multi-stage projects with significant engineering. SoCalGas progressed the project since its 2019 approval: Front End Engineering Design (FEED) was completed in February 2020,[29] SoCalGas submitted an Authority to Construct (ATC) air permit[30] to Ventura Air Pollution Control District (VCAPCD) in March 2020, and SoCalGas solicited requests for proposals for and negotiated and executed the Engineering Procurement Construction (EPC) contract in March 2021. SoCalGas commenced detailed design under the EPC contract, but in August 2021, the Commission requested that SoCalGas halt engineering activities, conduct stakeholder outreach, and prepare a feasibility study to evaluate alternative compressor equipment configurations and alternative site locations for the planned project. In response, SoCalGas halted design activities and focused on addressing the Commission's requests for nearly a year (including the stakeholder outreach activities described *infra*). In June

[28] D.19-09-051 at 116-117 (emphasis added).

[29] FEED was completed based on the project design then selected for four new 1,900 HP gas compressors.

[30] ATC was submitted for the prior project design of four new 1,900 HP natural gas compressors and one gas standby generator.

2022, SoCalGas submitted a letter to the Commission memorializing the completion of the directives.

3. 2024 GRC Application, Issuance of GO-177

As a result of stakeholder feedback, SoCalGas again modified the scope of the project and included it in its Test Year 2024 GRC Application filed in May 2022. As noted in the Direct Testimony of Rick Chiapa, Steve Hruby, and Aaron Bell, "the installation of these new transmission compressors will reduce emissions and enhance the operational reliability of the Ventura compressor station by incorporating the latest safety features, achieving environmental compliance, and meeting required transmission capacities."[31]

In October 2022, the Commission issued a Scoping Memo which ordered SoCalGas to file a separate application for the Proposed Project within 45 days. That deadline was subsequently extended 120 days to enable SoCalGas to "file a consolidated VCM Project application to comply with the Scoping Memo and the [recently enacted] GO."[32]

General Order 177 was adopted on December 8, 2022 by D.22-12-021. The new gas infrastructure GO requires regulated gas corporations to file an application for a CPCN prior to commencing construction of any gas infrastructure that meets certain criteria, including that the project cost exceeds $75 million. Given the cost of the Proposed Project, it falls within the scope of GO-177. This Application is filed accordingly.

---

[31] A.22-05-015/016, Direct Testimony of Steve Hruby, Rick Chiapa, Aaron Bell (Ex. SCG-06), as originally filed on May 16, 2022, at CHB-101. The Scoping Memo subsequently ordered the removal of the Proposed Project, and related testimony, from that proceeding.

[32] *See* December 5, 2022 Letter from the Executive Director of the Commission.

IV. PUBLIC UTILITIES CODE SECTION 1002

Public Utilities Code section 1002(a) provides:

The Commission, as a basis for granting any certificate pursuant to section 1001 shall give consideration to the following factors:

1. Community values
2. Recreational and park areas
3. Historical and aesthetic value
4. Influence on the environment.

The Proposed Project has been designed with consideration of these factors as follows.

A. Community Values

The Proposed Project will not adversely affect community values and moreover will enhance them by supporting the integrity of the integrated electric and gas energy system, reliably serving residents and critical facilities, promoting affordability, reducing emissions, generating local jobs and tax revenue, and incorporating the feedback of the community into the Proposed Project.

The Proposed Project is a critical modernization that will help keep homes warm and the lights on in Ventura and up and down the Central Coast. It will promote the delivery of affordable and reliable energy to residences, facilities like schools, hospitals, and local industry, and will support electric system reliability throughout Southern California. In addition, replacing the three existing aging gas compressors with a hybrid configuration featuring two new electric compressors and two new gas compressors equipped with state-of-the art emission control technology will enhance reliability and reduce permitted NOx and ROC emissions by approximately 75 percent each compared to the existing compressor units at the facility today.

The Proposed Project will not adversely affect community values. The existing compressor station site is physically contained within the SoCalGas facility, where a compressor

station has been sited since at least 1923, and which the Ventura General Plan designates for industrial activity. The Proposed Project will replace the existing perimeter chain link fence with a new block wall, providing enhanced visual screening of the property. The new compression equipment design will improve local air quality by reducing permitted NOx and ROC emissions. As described further in the PEA at Section 5, the PEA does not identify any potentially significant environmental impacts as a result of the Proposed Project. All resource areas were evaluated to have less-than-significant impact or no impacts after consideration of compliance with applicable regulations and best management practices (BMPs).

Furthermore, the Proposed Project will have a favorable economic impact on both the City and County of Ventura. The Project will create temporary construction-related jobs over an approximate 30-month period. The workforce may vary month to month, but at its peak, the Proposed Project is expected to employ up to approximately 130 workers (*see* PEA at Section 3). During the construction period, it is anticipated that the local economy will experience a correlative increase in retail and sales tax revenue due to the workforce employed in the area.

SoCalGas has had an ongoing presence in Ventura and has been a partner in the community, supporting local nonprofits to help provide families access to educational, health, safety, and economic development resources. Consistent with these activities, prior to filing this Application and in support of community values, SoCalGas implemented a robust public outreach plan to inform the community about the Proposed Project and to solicit and facilitate community input. SoCalGas conducted bilingual (English and Spanish) community outreach through a variety of communication channels to encourage participation in the virtual and in-person community open houses to obtain stakeholder feedback. Based on input from the community and in collaboration with the Ventura Unified School District, SoCalGas selected De

Anza Middle School as the location for the series of community open houses to make them accessible to the public. SoCalGas created and shared newsletters, a dedicated website (in both English and Spanish), and information about the community open houses with various agencies and organizations including, but not limited to, the City of Ventura, Ventura Unified School District, and Ventura Chamber of Commerce. Again, SoCalGas leveraged their networks for dissemination of information by requesting that the provided information be shared with their stakeholders. During community outreach and at open houses, the public was encouraged to participate in the CPCN application process and CPUC administrative process. Additionally, SoCalGas briefed community leaders, local agency officials and staff, and community and business organizations to provide Proposed Project updates as well as to help distribute information about the Proposed Project to their networks.

As a result of stakeholder feedback, SoCalGas modified the Proposed Project to include a hybrid configuration.

SoCalGas continues to keep the community informed on the Proposed Project. Additional detail is provided in the PEA at Appendix G.

B. Recreational and Park Areas

The Proposed Project would be constructed at the site of the existing Ventura Compressor Station, which is not openly accessible to the public. The area is zoned for industrial uses. The location of nearby recreational open space and parks is shown in the PEA at Figure 5.16-1. The nearest park is Harry A. Lyon Park, which is approximately 0.30 miles northeast of the Proposed Project site. The Proposed Project would have no adverse impacts related to an increase of the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facilities would occur or be

accelerated. Because on-site construction activity for the Proposed Project would be temporary and may only occur within the 7:00 a.m. to 8:00 p.m. exemption period, as allowed by City Noise Ordinance Section 10.650.150.D, its noise emission would not occur during hours where the City's exterior noise level limits would apply. The Proposed Project would have less-than-significant impacts related to the generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the Proposed Project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies. Ingress and egress of construction vehicles to the site likewise is not expected to impact recreational or park areas. Additional details are provided in the PEA at Sections 5.16, Recreation and 5.13, Noise.

C. Historical and Aesthetic Values

The Proposed Project will not compromise the historical or aesthetic values of the community. A compressor station has been in operation at the site of the Ventura Compressor Station since 1923. Based on information acquired through operating and maintaining the station, the site is not expected to contain historical resources. The compressor building, temporary office trailer, and storage containers within the Ventura Compressor Station property are not designated as a historical resource, nor are any of them eligible for historical resource designation. Nevertheless, SoCalGas has proposed BMPs that it would implement in the event of an unanticipated discovery of archaeological resources, tribal cultural resources, or human remains during the course of ground-disturbing activities.

As detailed in the PEA at Section 5.1, the Proposed Project is not expected to significantly impact aesthetics including scenic vistas, scenic resources, or the area's existing visual character, including public views. The Proposed Project will replace the existing perimeter chain link fence with a new block wall, providing enhanced visual screening of the

property. The Proposed Project would not introduce new sources of light or glare that would significantly impact day or nighttime views.

D. Influence on Environment

The Proposed Project contemplates permanent structures within the site of the existing Ventura Compressor Station, which is an already-developed site. The only offsite component of the Proposed Project is the staging area located on an existing disturbed site adjacent to the Ventura Compressor Station. As described in the PEA at Section 5, there are no potentially significant environmental impacts associated with the Proposed Project. In fact, compared to the existing facility, the Proposed Project will reduce permitted NOx and ROC emissions by 75%.

Furthermore, SoCalGas designed the Proposed Project to include BMPs for air quality; biological resources; cultural resources; geology, soils and paleontological; hazards, hazardous materials and public safety; hydrology and water quality; noise; transportation; tribal cultural; and wildfire. SoCalGas plans to designate an Environmental Compliance Manager to support implementation of all BMPs, and SoCalGas will undertake all other reasonable efforts to promote safe construction activities with minimal environmental impacts.

V. GENERAL ORDER 177

A. Statement of the reasons why and facts showing that the completion and operation of the proposed facility is necessary to promote the safety, health, comfort, and convenience of the public, including: (GO-177, § VI(A)(1))

1. An explanation of why existing facilities are inadequate or need repair to meet applicable safety or reliability standards.

SoCalGas has an obligation to provide safe and reliable delivery of gas to its customers. The existing infrastructure at the Ventura Compressor Station provides the facility with a throughput capacity of 90 MMcfd, which suited the needs of the system in the 1980s when there were plentiful locally produced gas supplies to support reliability in the North Coastal System.

During that time, the vast majority of the gas that was compressed through the station was delivered to the La Goleta Storage Field.

However, the supply of locally produced gas has decreased significantly since about 2010. This has resulted in virtually all gas used to serve customer demand in the North Coastal System having gone through the Ventura Compressor Station. In order to support reliability in the region, about 60 MMcfd of gas going through the Ventura Compressor Station has had to be diverted from deliveries to the La Goleta Storage Field to serve local customer demand. This reduction directly impacts the 100 MMcfd that SoCalGas must deliver to the La Goleta Storage Field during the summer operating season in order to support both future local demand as well as system-wide reliability. There is thus a deficit of 70 MMcfd compared to what is required to operate the system prudently.

Given the additional demands, the existing compressors have had to be run outside their optimal ranges,[33] which can result in increased wear and tear on the existing infrastructure that is already almost 40 years old. While SoCalGas has increased inspection and maintenance activities in order to promote the health of the compressors, such responsive measures (a) will not prolong the life of the compressors indefinitely and (b) require the compressors to be out of service. The compressors thus must be replaced before the existing compressors reach the point that they cannot be available at a critical period of time. In this scenario, SoCalGas may need to curtail its customers.

[33] Note that the deficit in injection capacity remains even when the compressors are operated outside their optimal ranges.

2. Need for the project when accounting for projected declines in gas demand over the project's estimated useful life

SoCalGas's most recent system-level long-term gas demand forecast, as reported in the 2022 California Gas Report (CGR), includes forecasts through 2035. Long-term gas demand forecasts beyond 2035 are not available. SoCalGas additionally does not have gas demand forecasts specifically just for the North Coastal System; thus, for purposes of the Proposed Project, SoCalGas has approximated the regional gas demand forecast through 2035 for all customer classes combined by applying the share of this region's recorded gas demand relative to SoCalGas's recorded system-level demand in 2022 to the system-level yearly gas demand forecast through 2035.

The gas demand forecast thus developed for the North Coastal System indicates that, while gas demand is anticipated to decline slightly—to 52, 48, and 45 MMcfd in 2025, 2030, and 2035, respectively—the decline is not significant enough to obviate the need for the Proposed Project. If this 7 MMcfd decline were to be applied in a linear fashion to predict the decline in gas demand beyond 2035, the Proposed Project is still justified—in fact, it demonstrates the need for the Proposed Project for the entirety of the new compression equipment's expected useful life of fifty years. Moreover, the pace and penetration of gas decline is unknown; therefore, it is important to continue to maintain reliable service to customers. And, even if annual demand is trending downward, the ramping capabilities that are needed today and projected to grow in the future require a robust and capable gas system—including transmission and storage—to provide reliability to the electric grid. The Proposed Project would promote the much-needed flexibility of the gas system to enable California to meet its electrification and climate goals. As noted by CAISO, "Although natural gas usage may be decreasing overall, intra-day needs requiring the

use of natural gas resources to balance supply and demand may remain high, and the needs are compressed into only a few hours."[34]

The Proposed Project, including its increased throughput capacity, is necessary to maintain reliability not only to the North Coastal System, but also across the entirety of SoCalGas's system. As discussed above, the minimum flow requirement to fill the La Goleta Storage Field is 100 MMcfd. The La Goleta Storage Field is only filled after customer demand in the North Coastal System has been met. Thus, the flow through Ventura Compressor Station must be able to meet this requirement of 100 MMcfd, plus the local demand. Even with a reduction to demand, the existing station is not adequate to meet even the minimum level of throughput to fill the La Goleta Storage Field, let alone being able to do so after serving customer demand.

3. Impact of the proposed project on expected future gas demand.

The Proposed Project is intended to allow SoCalGas to maintain reliable delivery of gas to its customers given the diminution of local supplies and the aging infrastructure which is additionally being utilized outside optimal ranges. The Proposed Project is not expected to have any impacts on expected future gas demand. The Proposed Project would, however, further promote California's electrification and climate goals as outlined in Section V.A *infra*.

[34] R.20-01-007, Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and Perform Long-Term Gas System Planning, Comments of the California Independent System Operator Corporation on Amended Scoping Memo Track 2a Scoping Questions 2.1(b) – 2.1(k) (June 15, 2022), *available at:* http://www.caiso.com/Documents/Jun15-2022-Comments-AmendedScopingMemo-Track2a-ScopingQuestions21b-21k-Safe-ReliableGasSystems-R20-01-007.pdf.

4. Estimated useful life of the project.

Consistent with the decision in SoCalGas's 2019 GRC, SoCalGas will use the useful life asset category G-368 Transmission – Compressor Station Equipment, which prescribes 50 years. The useful life is subject to revision in a future GRC.

5. Consistency with applicable long-term gas infrastructure orders adopted by the Commission including in the Commission's Long-Term Gas Planning proceeding (Rulemaking 20-01-007) and successor proceedings.

This Application is consistent with orders in R.20-01-007, *Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and Perform Long-Term Gas System Planning* (Gas Planning OIR). Track 2 of the Gas Planning OIR remains open (now referred to generally as Phase 2) and it appears the long-term gas infrastructure planning aspect of the proceeding is expected to occur in Phase 3, for which a Scoping Memo and Ruling is anticipated in March 2024.[35]

During Track 2a of the Gas Planning OIR, the Commission established GO 177 to allow the Commission to review projects for large and environmentally significant gas infrastructure projects in the near term while continuing to develop a more comprehensive long-term gas planning process and strategy.[36] GO 177 was intended to provide a transparent mechanism that would support stakeholder engagement, enable review of projects in compliance with CEQA, and assess the appropriate balance between energy system reliability and costs as demand for natural gas is expected to decline.

[35] R.20-01-007, Assigned Commissioner's Phase 2 Scoping Memo and Ruling (August 1, 2023).

[36] D.22-12-021 at 10-13.

The Commission has not adopted any applicable long-term gas infrastructure orders in the Gas Planning OIR subsequent to the adoption of GO 177, nor any outside that proceeding. Accordingly, this Application is for a project that is subject to GO 177, meets the requirements set forth in GO 177, and is aligned with the current Gas Planning OIR.

B. Safety and reliability information, including planned provisions for emergency operations and shutdowns, and affected infrastructure locations (GO-177, § VI(A)(2))

1. Reliability

As described in Section III, *supra*, the Proposed Project will support reliability not only to the North Coastal System, but also the entirety of SoCalGas's system.

2. Safety - Systemwide

As the nation's largest natural gas utility, SoCalGas takes its safety commitment seriously. Safety focuses on three primary areas–employee and contractor safety, customer and public safety, and the safety of our gas system. This safety focus is embedded in all SoCalGas does–from initial employee training, to the installation, operation and maintenance of our utility infrastructure, and to our commitment to provide safe and reliable service to our customers. SoCalGas strives to continuously improve and strengthen our safety performance by setting clear measurable goals, assessing our safety performance, reviewing and questioning approaches and assumptions, integrating people and activities to promote a common approach to safety, and learning from and sharing best practices and lessons learned with our stakeholders, including our peers. This safety commitment has guided SoCalGas's past and current practice and will continue to guide our future direction. SoCalGas's overarching safety program is called the Safety Management System (SMS) and is governed by the Gas Safety Plan, which is submitted annually to the Commission.

SoCalGas's SMS encompasses all aspects of safety relevant to SoCalGas's business, including employee safety, contractor safety, customer safety, public safety, and system safety. It applies to all SoCalGas assets and operations as well as to all employees, from senior management to those on the frontline, including the Ventura Compressor Station.

From a system perspective, in order to address unplanned incidents or emergency shutdowns, SoCalGas maintains an on-call team that is available to respond anywhere in our service territory, any time of night or day. SoCalGas follows the Federal Emergency Management Agency (FEMA) Incident Command System (ICS) and all on-call personnel are ICS trained. SoCalGas's emergency operations center (EOC) is overseen by SoCalGas's Emergency Management Watch Office, which is the hub of communication during any emergency incident. The EOC is presently located in downtown Los Angeles but will be relocated to a new state-of-the-art facility in Pico Rivera by the end of 2024. A mobile command trailer that can serve as a command center during any major incident is available to dispatch to any incident location or SoCalGas base in our service territory. SoCalGas is well-stocked with emergency materials and equipment that are stored throughout the service territory. After an emergency, SoCalGas's Emergency Response Team initiates a logistics plan that includes staging sites, hotels, food, and other items necessary to support crews from outside the affected area or crews from other companies. Additionally, SoCalGas maintains an Emergency Management Preparedness and Response Policy to address any companywide emergency response.

SoCalGas also believes that effective communication and public awareness are keys to promoting safety. SoCalGas manages engagement with external stakeholders through its Public Awareness Plan, which is consistent with Federal Regulations 49 CFR 192.616 and 196.12.

Through the Public Awareness Plan, SoCalGas endeavors to have a well-informed public who can then contribute to a reduction in pipeline and other infrastructure emergencies and releases. The primary objectives of the plan, which apply to SoCalGas infrastructure beyond pipelines, are to:

- Enhance safety through increased public awareness and knowledge;
- Reduce third-party damage to pipeline facilities; and
- Provide better understanding of pipeline emergency response.

These objectives are achieved by educating stakeholders on:

- The existence and purpose of pipelines;
- Use of a one-call notification system prior to excavation and other damage prevention activities;
- Possible hazards associated with unintended releases from a pipeline facility;
- Physical indications that such a release may have occurred; and
- Steps that should be taken for safety in the event of a pipeline release and procedures to report such an event.

The plan follows the general guidance provided in the American Petroleum Institute Recommended Practice (API RP) 1162 - Public Awareness Programs for Pipeline Operators. Specifically, the plan identifies the audiences to be considered for targeted communications, the frequency of messages, the messages to be delivered to each audience, and the methods and vehicles for delivering the messages. In the event of an emergency, SoCalGas will evaluate the situation and communicate according to the needs of the particular incident.

SoCalGas also participates in Underground Service Alert, which involves requests to locate and mark our pipelines (811, Call before you DIG), and SoCalGas monitors construction activity within 10-feet of our pipelines.

3. Safety – Ventura Compressor Station

The Proposed Project entails modernizing the existing Ventura Compressor Station, and upon execution the new equipment and infrastructure will be overseen in the same manner as the existing equipment and infrastructure and will be subject to the same robust safety standards. SoCalGas endeavors not only to comply with the rules, regulations, and requirements it is subject to, but also innovate and lead in its safety practices. SoCalGas views compliance as an essential floor, above which there are opportunities to expand and improve risk management activities, engage in continuous improvement, and empower active participation in early detection and prevention of potential hazards. The existing compressor building is equipped with sensitive fire detection equipment that activates with any sign of a spark, and the new compressor building would be similarly outfitted. The compressor station will continue to be operated remotely by the SoCalGas Control Center, which is a 24-hour, 365-day a year remote monitoring control room. An on-site combined motor control and power distribution center will be constructed to connect the new compressor building controls to the existing communications building which houses the supervisory control and data acquisition (SCADA) to communicate with Gas Control. During normal business hours (i.e., weekdays from 6:30 a.m. to 3:30 p.m.), up to four personnel, including the station operations manager and station supervisor, will be on site to inspect and maintain equipment at the facility.

SoCalGas is regulated, monitored, and inspected/audited by a number of government agencies and must comply with the Department of Transportation (DOT) Pipeline and Hazardous

Materials Safety Administration requirements,[37] National Code Standard requirements, and CPUC General Orders and regulations when engineering, designing, and constructing compressor stations. SoCalGas goes above and beyond compliance by incorporating best available technology and safety systems when retrofitting or redesigning its facilities and equipment to provide multiple layers of redundancy when it comes to system safety.

The Ventura Compressor Station meets applicable federal and state requirements for safety. SoCalGas performs specific testing and inspections at the Ventura Compressor Station as required by DOT regulations, CPUC General Order 112-F, and other relevant local regulations. The station, including its piping, safety, and fire equipment, is equipped with continuous remote/onsite monitoring equipment, and is also subject to in-person testing and inspection, as further described below. SoCalGas also is in regular communication with first responders, including the Ventura City Fire Department (VCFD), which is the primary emergency response agency for an emergency natural-gas-related incident at the Ventura Compressor Station. The site is within the 5-minute response zone for VCFD, and fire water infrastructure is available on site and within North Olive Street. The VCFD also reviews and approves the facility's hazardous materials business plan and spill prevention, control, and countermeasure plan. In advance of routine maintenance activities, SoCalGas contacts the VCFD to maintain open communication. Additionally, SoCalGas's Emergency Services Department conducts annual briefings with first responders in Ventura and across its service territory so they are educated about how to respond to a natural gas incident.

[37] 49 CFR Part 192 (Transportation Of Natural and Other Gas By Pipeline: Minimum Federal Safety Standards), *available at:* https://www.govinfo.gov/content/pkg/CFR-2022-title49-vol3/pdf/CFR-2022-title49-vol3-part192.pdf.

There are a multitude of regular tests and inspections that occur at the Ventura Compressor Station, including the following at the intervals indicated.

Continuous: Voluntary fence-line methane monitors.[38]

Daily: Facility rounds/remote monitoring; continuous fence-line monitoring.

Weekly: Hazardous materials storage area and audio-visual inspections.

Monthly: Fire and safety equipment inspection; preventive maintenance and inspections per original equipment manufacturers' (OEM) specifications; spill prevention, control, and countermeasure inspections.

Quarterly: Fire and gas detector testing and inspections; emission testing; third-party leak inspections per CARB's statewide Oil and Gas Methane Regulation; preventive maintenance and inspections per OEM specifications.

Semi-annual: Structural support integrity inspections; preventive maintenance and inspections per OEM specifications; internal environmental compliance audits and inspections.

Annual: Third-party fire equipment inspections, servicing, and testing; emergency shutdown (ESD) system testing and inspections; third-party emission testing; preventive maintenance and inspections per OEM specifications; valve maintenance and inspections; relief valve and transmitter inspections and testing; internal leak inspections.

As needed: Stormwater compliance evaluations after every rain event.

The compressor station safety system is designed in accordance with federal and state standards to safely depressurize in the event an anomaly is detected. The Emergency Shutdown

[38] SoCalGas is in the process of calibrating, testing, and evaluating the fence-line methane monitoring system. When fully operational, the monitoring system will be capable of continuously detecting levels of methane at the facility perimeter, which will provide additional transparency about operations at the facility. The system is expected to be operational Q4 of 2023, which will allow the data to be shared online with the public.

System (ESD System)[39] is an engineered assembly of control devices which—when activated during an emergency—stops equipment that is part of a specific operating system, closes certain valves to isolate that system, and may open other valves to cause the system to depressurize to atmosphere, with the objective of getting the system to a safe condition. The entire compressor station is then inspected by qualified personnel to assess the equipment and identify the system anomaly. Only when the inspection is completed and the anomaly is addressed is gas reintroduced to the piping and the compressor station returned to operation.

C. Summary of the potential environmental impact of the proposed project, including in the context of the state's greenhouse gas emission reduction and carbon neutrality goals (GO-177, § VI(A)(3))

There are no potentially significant impacts associated with the Proposed Project. All resource areas were determined to have less-than-significant impacts or no impacts. Commission recommended Environmental Measures were incorporated into the Proposed Project as appropriate, and as part of project implementation, SoCalGas would implement best management practices.

In addition, the Proposed Project does not conflict with the State's GHG emission reduction or carbon neutrality goals. As explained in the PEA at Section 5.8, Greenhouse Gas Emissions, for the GHG emissions and energy assessments, two scenarios were evaluated to represent the maximum electricity use and the maximum natural gas use for two different sizes of electric-driven compressors, since the final determination regarding size has not yet been

[39] The term "ESD" by itself refers to the switch, button, or valve handle which is thrown, pressed or turned, respectively, to manually activate an ESD System at a compressor station. In case of accidental fire in a hazardous area of a compressor station, the ESD System is activated either automatically or manually via the ESD.

made. GHG emissions associated with the projected future operation of the Proposed Project are anticipated to be similar to those associated with the operation of the existing Ventura Compressor Station. The PEA at Section 5.8 also determined that the Proposed Project would not conflict with any applicable plan, policy, or regulation adopted for the purpose of reducing GHG emissions, including statewide GHG reduction goals, the Southern California Association of Governments's 2016–2040 Regional Transportation Plan/Sustainable Communities Strategy, or the City of Ventura's draft Climate Action and Resilience Plan.

CARB is required to develop the Scoping Plan, which provides the framework for actions to achieve the State's GHG emission targets as identified in various legislation including Assembly Bill (AB) 32 (enacted 2006; limit GHG emissions to 1990 levels by 2020), Senate Bill (SB) 32 (enacted 2016; GHG emissions reduced to 40% below 1990 levels by 2030), and AB 1279 (enacted 2022; GHG emissions reduced to 85% below 1990 levels by 2045). In addition, AB 1279 requires the State to achieve net-zero GHG emissions by no later than 2045 and achieve and maintain net negative GHG emissions thereafter. CARB's 2017 Climate Change Scoping Plan Update[40] was the first to address the State's strategy for achieving the 2030 GHG reduction target set forth in SB 32, and the most recent 2022 Scoping Plan for Achieving Carbon Neutrality[41] outlines the State's plan to reduce emissions and achieve carbon neutrality by 2045 in alignment with AB 1279 and assesses progress toward the 2030 SB 32 target. While the Scoping Plan is not directly applicable to specific projects, nor is it intended to be used for project-level evaluations, it is the official framework for the measures and regulations that will

---

40 CARB, *2017 Scoping Plan Documents*, *available at:* https://ww2.arb.ca.gov/our-work/programs/ab-32-climate-change-scoping-plan/2017-scoping-plan-documents.

41 CARB, *2022 Scoping Plan Documents*, *available at:* https://ww2.arb.ca.gov/resources/documents/2022-scoping-plan-documents.

be implemented to reduce California's GHG emissions in alignment with the adopted targets. Therefore, a project would not conflict with the State's targets if it does not conflict with the State's ability to implement the Scoping Plan actions and achieve the necessary GHG reductions.

Many of the measures and programs included in the Scoping Plan would result in the reduction of Proposed Project-related GHG emissions with no action required at the project level, including GHG emission reductions through increased energy efficiency and renewable energy production (SB 350), reduction in carbon intensity of transportation fuels (LCFS), and the accelerated efficiency and electrification of the statewide vehicle fleet (Mobile Source Strategy). Given that the Proposed Project would generate minimal new long-term operational vehicle trips (from one additional routine worker) and associated mobile source GHG emissions, the Proposed Project also would not conflict with California's goal of reducing GHG emissions through reductions in vehicle miles traveled statewide. Under both scenarios (for the different sizes of electric-driven compressors described above), the Proposed Project would not conflict with the State's GHG reduction and carbon neutrality goals by modernizing the existing Ventura Compressor Station's compression equipment and operating the proposed new electric driven compressors with a "first-on" and "last-off" protocol.

Given that the specific path to carbon neutrality will require development and adoption of new technologies and programs, the Proposed Project's specific role in the energy transition would be maintaining in place key assets to integrate larger volumes of renewables and enable energy system, including electric, reliability. The Proposed Project does not conflict, but rather supports, the State's ability to achieve the 2030 and 2045 GHG reduction and carbon neutrality goals, and certain components could potentially support GHG reduction efforts through modernization with installation of electric-driven compressors.

D. Analysis of alternatives, including non-pipeline alternatives, and a demonstration that no reasonable alternatives to the proposed project exist (GO 177, § VI(A)(4))

1. Alternatives Methodology

SoCalGas's analysis of alternatives is consistent with the requirements of CEQA and GO 177,[42] which provides as follows.

a. Examination of non-pipeline alternatives shall consider:

1. The customers to be served by the proposed project, and whether direct support for electrification, consumption reduction (energy efficiency, conservation and demand response), and/or alternative methods to provide necessary energy supplies for these customers could be accomplished at a lower cost and/or with lesser environmental impact than the proposed project;

2. The potential environmental impacts of alternatives, including emissions; and

3. An estimate of the costs of the environmental and health impacts of the project, as well as the direct and indirect costs of the project.

b. Reasons for adoption of the route or location selected, including comparison with alternative routes or locations, the advantages and disadvantages of each, the comparative availability of alternate routes or locations, and justification for the proposed route or location;

c. If the proposed project is located within an Environmental and Social Justice (ESJ) Community as defined in the most recent version of the Commission's ESJ Action Plan, the discussion of alternatives shall discuss whether it is possible to relocate the project and, if so, steps taken to locate the project outside such areas;

d. A listing of governmental agencies with which proposed route reviews have been undertaken, including a written agency response to the applicant's written request for a brief position statement by each agency. In the absence of a written agency position statement, the utility may submit a statement of its understanding of the position of such agencies;

[42] Cal. Pub. Resources Code§§ 21000 *et seq*; CPUC Guidelines for Energy Project Applications Requiring CEQA Compliance: Pre-Filing and Proponent's Environmental Assessments (CPUC Guidelines) (November CPUC 2019), *available at:* https://www.cpuc.ca.gov/-/media/cpuc-website/files/legacyfiles/c/6442463239-ceqa-pre-filing-guidelines-pea-checklist-nov-2019.pdf.

e. The discussion of alternatives shall include a cost analysis comparing the proposed project with any feasible alternatives, including non-pipeline alternatives, calculated over the lifetime of the project; and,

f. The discussion of alternatives shall consider pollution burden in the project location and shall discuss steps taken to minimize gas infrastructure density and/or ensure substantial economic benefits to local residents.

In addition to the foregoing, in analyzing alternatives, SoCalGas also considered whether alternatives meet the objectives of the Proposed Project, are feasible to carry forward for analysis, and meet the essential site criteria. The objectives are listed in Section V.D.3, *infra*. The essential site criteria, meaning those criteria that must be met to construct and operate a compressor station, are as follows: (a) Property acreage is at least 8 acres, but ideally 10 acres or larger, especially for sites with slopes greater than an average of 15% to account for graded cut/fill slopes;[43] (b) the site must be owned by private property owners or SoCalGas (i.e., not a local, state, or federal agency); (c) the site is compatible with Federal Aviation Administration (FAA) requirements for land use; and (d) the site is not within a Federal Emergency Management Agency (FEMA) mapped floodway.

Alternatives to consider were gathered from: (a) alternatives proposed during SoCalGas's public outreach events from 2019 through 2022; (b) efforts to comply with GO 177 and CPUC's *November 2019 Guidelines for Energy Project Applications Requiring CEQA Compliance: Pre-Filing and Proponent's Environmental Assessments*; and (c) Energy Division, CEQA staff. The alternatives were then screened for consistency with the essential site criteria and Proposed Project objectives.

[43] The essential site criteria were selected because a compressor station requires adequate space within and around buildings and pipelines.

2. Alternatives Identified

Applying the parameters noted above, SoCalGas identified the following non-pipeline alternatives and pipeline alternatives, including the No Project alternative:

a. Non-Pipeline Alternatives

In order to comply with the requirements of GO 177 for non-pipeline alternatives, SoCalGas identified non-pipeline alternatives that could reduce demand in the North Coastal System (i.e., excluding the requirements to fill the La Goleta Storage Field) or could cost less than the Proposed Project.

1. Gas End-Use Electrification: This alternative requires two mechanisms: conversion of customers from gas to electric end uses, and installation of additional electricity generation sources (that do not rely on gas service to the North Coastal System) and infrastructure.

2. Energy Efficiency: This alternative requires four mechanisms: legislative action to require energy efficiency beyond that required by Title 20; demand response, such as Flex Alerts; retrofit or replacement of core customer natural gas appliances with more efficient options; and energy efficiency incentives for gas equipment.

3. Renewable Natural Gas Supply: This alternative requires sourcing renewable natural gas (RNG) from within the North Coastal System.

4. Market Mechanisms: This alternative would include implementing modifications to SoCalGas's Commission-authorized rules, such as modification of storage inventory allocation, OFO structure, or curtailment structure, to shift customer behavior.

5. Liquefied Natural Gas Deliveries (Virtual Pipeline): This alternative requires procuring liquefied natural gas (LNG) and trucking it to a SoCalGas receipt point in the North Coastal System.

b. Pipeline Alternatives

1. Avocado Site: This alternative contemplates building an entirely new compressor station, including all necessary appurtenances, on an approximately 15-acre site zoned for agriculture and designated for open space uses. The site is located approximately 3,000 feet west of the existing compressor station site within the County of Ventura, and the surrounding area is developed with agricultural uses and oil/gas fields. The site itself is undeveloped hillside land with slopes upwards of 70% adjacent to an avocado orchard. The slopes would require large amounts of grading and potentially the installation of retaining walls or soil nails to create a level pad for compressor equipment and operational needs. The closest residence is approximately 0.7 miles away.

This alternative contemplates the same configuration as the Proposed Project, and thus includes a hybrid configuration of two new gas compressors and two new electric compressors, installation of pipeline, facility infrastructure, and appurtenances to connect to SoCalGas's pipeline system, erecting a building to house the compressors, erecting a permanent office building, erecting a warehouse, and installing security at the site. Development of this site would require the following new off-site infrastructure: (1) widening, regrading, paving of Taylor Ranch Road to be a minimum of 24-feet wide with less than a 20% grade to meet project access requirements; (2) approximately 0.18 miles of a new natural gas pipeline system with two mainline valves that would tie into the exiting natural gas system pipelines; and (3) subterranean utility lines beneath the existing Taylor Ranch Road that would tie into existing facilities at West

Main Street. An approximately 5.63-acre temporary construction staging area would be located at the base of Taylor Ranch Road and West Main Street. To accommodate the two electric compressors, approximately 0.83 miles of off-site aboveground electrical utility extensions (including 30 new poles) would also be required.

2. Devil's Canyon Road: This alternative contemplates building an entirely new compressor station, including all necessary appurtenances, on an approximately 12.88-acre oil extraction site zoned for agriculture and designated for open space uses. It is located approximately 6,000 feet north of the existing compressor station site on the west side of State Route 33 within the County of Ventura. The site is relatively flat and has been previously developed with oilfield operations and is currently partially occupied by oil wells.

This alternative contemplates the same configuration of compressors and ancillary construction and installation as the Avocado Site.

3. Ventura Steel: This alternative contemplates building an entirely new compressor station, including all necessary appurtenances, on an approximately 10-acre site with oil extraction infrastructure that is zoned and designated for industrial uses. It is located approximately 7,000 feet north of the existing compressor station site in the City and County of Ventura. This site is relatively flat and there are existing active oil wells on site.

This alternative contemplates the same configuration of compressors and ancillary construction and installation as the Avocado Site.

The following Figure 13 depicts the locations of the Proposed Project and site alternatives.

Figure 13. Location of Proposed Project and Alternative Sites

4. Supplemental Electric-Driven Compression Only: This alternative contemplates retaining the three existing gas compressors and supplementing them with new electric compressors at the existing compressor station site.

5. All-Electric Compression: This alternative contemplates replacing the three existing gas compressors with four new electric compressors at the existing compressor station site or installing the same configuration at any of the alternative sites.

6. 3/1 Hybrid: This alternative contemplates replacing the three existing gas compressors with three new electric compressors and one new gas compressor at the existing compressor station site or installing the same configuration at any of the alternative sites.

7. No Project: This alternative contemplates maintaining the status quo and continuing to run the three existing gas compressors at the existing site.

3. Alternatives Reviewed and Dismissed from Further Consideration

SoCalGas performed a preliminary review of each of the alternatives identified above in accordance with requirements of GO 177, the essential site criteria, and the objectives of the Proposed Project. Pursuant to CEQA, alternatives may be eliminated from further detailed consideration if they fail to meet most of the project objectives, are infeasible, or do not avoid or substantially reduce any significant environmental effects.[44] Similarly, alternatives that are remote or speculative, or the effects of which cannot reasonably be predicted, may also be eliminated from further consideration.[45]

Below is a discussion of the alternatives that were evaluated and dismissed based on the criteria described above.

The objectives of the Proposed Project are (numbered here to correspond to the numbers in Table 4 below):

1. Meet system operational requirements by providing sufficient gas supply to the North Coastal System at adequate pressures year-round to reliably serve demand in the North Coastal System and inject into the La Goleta Storage Field;
2. Promote system reliability and affordability by restoring the injection capability of the entire La Goleta Storage Field inventory during the summer operating season;
3. Modernize the Ventura Compressor Station's aging infrastructure, which was designed and installed in the 1980s to meet operating requirements at that time, in support of year-round system reliability;

[44] Cal. Code Regs. tit. 14 § 15126.6(c).

[45] Cal. Code Regs. tit. 14 § 15126.6(f)(3).

4. Provide resiliency through diversifying energy supply and improving station reliability;
5. Reduce permitted NOx emissions at the Ventura Compressor Station by installing new compressors equipped with state-of-the art emission control technology;
6. Achieve functionality of the new equipment as soon as possible to support needed reliability;
7. Maintain continuity of operations of the existing compressor station until the Proposed Project goes into service; and
8. Safeguard ratepayer funds by evaluating the costs of the Proposed Project in a prudent manner and in accordance with Commission direction.

In conducting its analysis, SoCalGas considered the approximately 238,000 customers in the North Coastal System who would be directly served by the Proposed Project. Note that this count is separate from all the customers throughout the broader integrated energy system who also benefit from having gas available at the La Goleta Storage Field.

Customer Class	Meter Count
Core – Residential	222,485
Core – Commercial and Industrial	16,187
Non-Core – Commercial and Industrial	27
Non-Core – Enhanced Oil Recovery	5
Non-Core – Electric Generation	13

Table 3. Customer Meters, by Class, in North Coastal System

In order to meet objectives 1 and 2, as discussed in Section V.A.1., *supra*, the deficit of 70 MMcfd of supply to the North Coastal System must be resolved. The total highest summer gas demand on the North Coastal System is around 60 MMcfd; therefore, the maximum capacity

remedy that can be provided by demand-side non-pipe alternatives–including both end-use electrification and energy efficiency–is 60 MMcfd, which inherently falls short of addressing the 70 MMcfd deficit.

Despite the inherent shortfall associated with these demand-side non-pipeline alternatives, SoCalGas performed some additional high-level analysis to better understand what would be required and assess the feasibility and cost associated with them prior to ultimately dismissing them from further consideration.

a. Non-Pipeline Alternatives

(1) Gas End-Use Electrification Non-Pipeline Alternative

SoCalGas conducted a high-level evaluation of the feasibility of an electrification-based approach to achieving the Project Objectives and eliminating the need for the Proposed Project. This project alternative would need to fully eliminate the summer operating season gas end-use demand supported by the Ventura Compressor Station through end-use electrification. Simultaneously, electric resources will need to be available to serve this departing gas end-use demand. Thus, this alternative requires two mechanisms: reduction of gas demand by converting over about 238,000 customers from gas to electric end uses; and correspondingly increasing electric capacity and supply through installation of additional electric generation sources and infrastructure in the region that do not rely on natural gas provided by the Ventura Compressor Station (e.g., new or upgraded electric transmission lines, solar and wind energy facilities, energy storage facilities, etc.).

Environmental impacts from electrification would depend on the specific projects. Project factors influencing environmental impact include scale, scope, location, and existing environmental resources of the project site. Electrification and associated projects may include

the following environmental impacts: air quality, energy, aesthetic, agriculture/forestry, wildfire, and biological resources. Further analysis may reveal additional environmental impacts.

Fully electrifying the summer season gas demand supported by the Ventura Compressor Station only partially meets one objective of the Proposed Project: if implemented and the desired effects are achieved, this alternative could address 60 MMcfd of the current 70 MMcfd deficit required to support system reliability and injection at the La Goleta Storage Field. However, it is unlikely this effort would be feasible to execute in a comparable timeframe as the Proposed Project, increasing the risks associated with deferring realization of the project objectives.[46] SoCalGas does not believe it will be possible to completely eliminate gas demand on the North Coastal System and deploy sufficient electric resources to serve the increased demand from this electrification before the existing compressors at the Ventura Compressor Station reach the end of their life. Furthermore, as long as there is *any* demand for gas in the North Coastal System, compression equipment at the Ventura Compressor Station is needed– even if the gas load is associated with periodic loads such as electric generation.

There are other likely challenges to full electrification of the North Coastal System aside from the extended timeline expected to achieve both required components of this alternative. For example, some residential appliances, such as tankless water heaters, pool and spa heaters, and outdoor gas appliances, as well as some commercial end uses, such as commercial kitchens and laundry facilities, may not currently have electric options that are technically or economically viable. Additionally, some customers supplied by the North Coastal System use natural gas to generate electricity, and would potentially have no viable alternatives. Relying on

[46] SoCalGas did not evaluate the availability of resources, including skilled workforce and equipment, to properly execute electrification at such a massive scale.

an expectation that solutions to support full electrification will materialize by the time they are needed would not be prudent. Customer acceptance may also pose an obstacle to this alternative: even if all 238,000 SoCalGas customers in the North Coastal System agreed to electrify, it is unknown how long it would take to get that agreement or what kind of incentives would be required to do so. Partial electrification is not an option given that even full electrification of the North Coastal system falls short of addressing the identified capacity deficit at the La Goleta Storage Field. Moreover, the costs to electrify just the residential customer base in the North Coastal System, without considering utility-side infrastructure and supply investments, were estimated to be at least $6.1 billion—an order of magnitude above the estimated cost of the Proposed Project.[47] Assuming a similar per-meter cost to electrify non-residential customers, likely a significant underestimate, yields a cost of at least another $444 million.

For the foregoing reasons, while SoCalGas continues to support efforts to decarbonize California's integrated energy system, we do not intend to continue to pursue the gas end-use electrification non-pipeline alternative to the Proposed Project.

(2) Energy Efficiency Non-Pipeline Alternative

SoCalGas conducted a high-level analysis of taking an energy efficiency approach to meet the objectives of the Proposed Project. This alternative would require four mechanisms: legislative changes to require energy efficiency beyond what is required by Title 20; demand

[47] SoCalGas referenced Pacific Gas & Electric Co.'s California State University Monterey Bay Zonal Electrification Application (A.22-08-003) to derive this estimate. There, PG&E estimated a per-residential unit cost of $27,435. SoCalGas recognizes PG&E's costs are for relatively simple conversions including limited appliance scope and no needed electric upgrades and that costs may be significantly higher for the wide range of conversions required in the North Coastal System, but uses PG&E's anticipated costs to derive low-end estimates. *Available at:* https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M496/K451/496451495.PDF.

response, such as Flex Alerts; retrofit or replacement of core customer gas appliances with more efficient options; and energy efficiency incentives for gas-burning equipment.

SoCalGas has experience implementing energy efficiency programs. In fact, from 2016-2020, SoCalGas reduced over 1.2 million metric tons of carbon dioxide equivalent (MT CO2e) and avoided $1 billion in energy costs with the nation's largest gas energy efficiency program.[48] SoCalGas expects future customer participation in energy efficiency programs to remain similar to the historical average, absent a substantial change in customer behavior or the programs themselves. It is expected that this alternative could reduce customer demand over the next 30 years, but how much of a reduction can be realized is dependent on cost and customer choice since customer appliances must be retrofitted or replaced. It is important to note that not all customer classes are eligible for energy efficiency programs: only core residential, core commercial and industrial, and non-core commercial and industrial are eligible. Over a 5-year period (2018-2022), SoCalGas observed on average a 0.2% reduction in demand in the North Coastal System while utilizing currently available energy efficiency programs.

Environmental impacts from energy efficiency may include increased waste streams from replacing and disposing of appliances. Further analysis may uncover additional environmental impacts.

This non-pipeline alternative, if implemented, would fail to satisfy any of the objectives of the Proposed Project. Accordingly, this non-pipeline alternative was dismissed from further consideration. While further incentives may reduce demand, it is not expected that they would eliminate customer demand altogether.

---

[48] Total savings in Energy Efficiency program from 2016 to 2020. Data reported to California Energy Data and Reporting System (CEDARS), *available at:* https://cedars.sound-data.com/.

SoCalGas continues to believe energy efficiency is a critical tool to lead the transition to a resilient and affordable decarbonized integrated energy system. While SoCalGas will continue to pursue energy efficiency programs, including continuing to use digital communication to encourage customers to minimize gas use when demand is high, we do not intend to continue to pursue the energy efficiency non-pipeline alternative.

(3) Renewable Natural Gas Supply Non-Pipeline Alternative

SoCalGas conducted a high-level analysis of the alternative of replacing the gas used to supply demand in the North Coastal System with locally available RNG. RNG, a carbon-neutral gaseous fuel that is interchangeable with traditional natural gas, is expected to play an important role in reducing the impact of GHG emissions from the gas system and, alongside other clean fuels and renewable resources, in California's clean energy future. With the Commission's authorization, SoCalGas is already incorporating RNG into its pipeline system.

RNG comes from organic waste sources such as landfills, wastewater treatment facilities, manure, woody biomass, and food and green waste.[49] Byproducts and compounds must be removed from the biogas through a process called "upgrading" so it is compliant with existing infrastructure and end-use equipment. The North Coastal System includes agricultural production, which presents opportunities to interconnect biomethane digesters at farms or facilities to convert agricultural waste into RNG using thermochemical processes. Local wastewater treatment facilities and landfills may also be sources of RNG.

[49] RNG can also be obtained from the power-to-gas methodology which uses surplus renewable electricity to create RNG. However, SoCalGas was unable to study the availability of this option as there is no publicly available database, nor does SoCalGas have any supplier requests to deliver this form of RNG.

SoCalGas administers the Biomethane Monetary Incentive Program, under the auspices of the Commission. The program offers incentives to help reduce the overall cost burden on RNG facility developers in order to promote production. Only one project in the North Coastal System—the Tajiguas Landfill Project in Santa Barbara County—is on the list for the incentive program, and there is no in-service date currently available.

Not only does scaling RNG production re-purpose organic waste while helping to realize California's climate goals; it can also create jobs and drive other local economic activity. Biomethane facilities may also have some environmental impacts and benefits related to their construction and operation, with the range of outcomes depending on several variables including location, technology, and feedstock.

The cost of RNG facilities can also be highly variable depending on the characteristics of the facility. For facilities upgrading preexisting sources of biogas, such as landfills or wastewater treatment plants, interconnection capital costs alone are at least $6-8 million per facility (the costs of upgrading the facility would be incremental to this amount).[50] Comparatively, facilities developed to handle and process biomass waste streams into RNG, such as thermal gasification facilities, can cost around $340 million or more.[51]

Biogas sources in the North Coastal System are relatively limited. As such, in order to achieve the production scale needed to reach equivalency with the Proposed Project (70 MMcfd), an RNG-based non-pipeline alternative would need to rely on biomass gasification facilities which would likely import biomass to the area for processing. Assuming a 1,000-ton per day

---

[50] American Gas Foundation, *Renewable Sources of Natural Gas: Supply And Emissions Reduction Assessment* (December 2019) at 52, 54, *available at:* https://www.gasfoundation.org/wp-content/uploads/2019/12/AGF-2019-RNG-Study-Full-Report-FINAL-12-18-19.pdf

[51] *Id.* at 57.

facility can produce around 25 MMcfd of RNG and costs $340 million or more to construct, it is likely that the capital cost to produce 70 MMcfd of RNG will approach $1 billion or more. This estimate does not include any consideration of availability, feasibility, or costs associated with siting such a facility or securing feedstock.

SoCalGas supports the long-term development of RNG resources. Indeed, SoCalGas recently filed an application with the Commission to assist with a pilot project that would convert organic waste into RNG at significant scale, projected to produce 4.5 Bcf of RNG through 400,000 – 500,000 tons of agricultural waste annually.[52] However, we do not believe RNG would be a viable option in the near term for purposes of serving customer demand in the North Coastal System to the extent it could eliminate the need for the Proposed Project. Given the current state of RNG production development on the North Coastal System--with only one project in this region on the incentive reservation list--we do not believe it is realistic or prudent to rely on development of this scale to supplant the Proposed Project and directly support natural gas system reliability at this time. The Tajiguas Landfill Project is the only known planned RNG delivery point in the area, and it is estimated to provide only 2% of the daily needed supplies. Including other landfills in the region that have not yet been determined to have potential to be commercially viable RNG projects only adds an additional 3% of the daily needed supply. It is not clear at what point in the foreseeable future there would be sufficient RNG supplies to fully replace the demand served by the Ventura Compressor Station. As such, a functioning compressor station is still needed.

[52] *See* A.23-06-024.

Environmental impacts from installing RNG facilities and infrastructure would depend on the specific project. These factors include scale, scope, location, and existing environmental resources of the project site. RNG infrastructure installation may include the following environmental impacts: air quality, noise, aesthetic, agriculture/forestry, and biological resources. Further analysis may yield identification of additional environmental impacts.

While this alternative could theoretically support objectives 1 and 2 of the Proposed Project at some date in the future, the feasibility of such an RNG production scaling is uncertain at this time. Furthermore, this alternative is incapable of satisfying any of the other objectives.

While SoCalGas believes RNG will play an important role in decarbonizing California's integrated energy system, including by supporting the electric system, for the foregoing reasons, we do not intend to continue to pursue the RNG Gas Supply alternative in lieu of the Proposed Project.

(4) Market Mechanisms Non-Pipeline Alternative

SoCalGas's system allows for customer flexibility in delivering gas into Southern California. Rules authorized by the Commission, including OFOs and balancing services, are set to allow the SoCalGas System Operator to maintain the integrity of the gas system while providing customers with flexibility to deliver their gas. SoCalGas conducted a high-level analysis of using market mechanisms, via its authorized rules, to eliminate the need for the Proposed Project.

Three options for rule modifications were considered. First, we considered requiring a minimum inventory level of 7.5 Bcf at La Goleta Storage Field such that working inventory would be reduced to 14 Bcf. In turn, this would require reducing the storage inventory allocated to the core customer and/or the customer balancing service. Second, we considered augmenting

the current rule regarding a system-wide OFO—which requires tighter balancing requirements for all customers across the system when daily customer imbalances reach certain thresholds—with a rule setting a North Coastal System OFO to require tighter daily balancing requirements applicable to this area of the system. Third, we considered implementing regular curtailments during maintenance outages to maintain service to higher priority customers.

The potential impacts of market mechanisms on energy infrastructure are currently undetermined. Further analysis may yield information about impacts, including environmental impacts.

This non-pipeline alternative was dismissed from further consideration because, if implemented, it would not eliminate the need for the Proposed Project, nor does it satisfy any of the objectives of the Proposed Project. Reducing the working inventory at the La Goleta Storage Field would do the opposite of what the Proposed Project seeks to do; it would jeopardize reliable service not only to the North Coastal System, but to the entire SoCalGas system and larger integrated energy system. Moreover, it could additionally negatively impact affordability. Adding an OFO rule for the North Coastal System would not be effective because there simply is not enough gas supply in the region to meet customer demand; thus, the Ventura Compressor Station would still be needed to serve demand. Finally, curtailments necessarily do not provide reliable service to all customers in the North Coastal System.

While market mechanisms are effective for balancing supply and demand on an intraday, daily, and monthly basis across the SoCalGas system, they do not incentivize an increase in local supply, which means they do not support long-term reliability needs, so SoCalGas does not intend to study this alternative further.

(5) Liquefied Natural Gas Deliveries (Virtual Pipeline) Non-Pipeline Alternative

SoCalGas conducted a high-level analysis of an LNG non-pipeline alternative to determine if it could obviate the need for the Proposed Project. LNG is the liquid state of natural gas after it has gone through the liquefaction process, which entails cooling it to about -260F. It can be transported and stored in its liquid state, when its volume is about 600 times less than it is in its gaseous state. LNG supplies can be delivered outside of the utility pipe system and thus avoid construction of additional pipeline assets. However, shipping LNG requires the use of special containers outfitted with cryogenic tanks. Moreover, LNG must be stored in special facilities.

In order to be a viable alternative to the Proposed Project, 70 MMcfd of LNG[53] would have to be trucked to a SoCalGas receipt point in the North Coastal System. This is the equivalent of 820,000 gallons of LNG each day over the 214-day summer operating season. The receipt point would have to be equipped to accept LNG deliveries and convert them from liquid to gas form. A special fleet of 63 trucks specifically designed to haul LNG would be required for daily transportation of LNG.

In general, environmental impacts from trucking LNG could include those to air quality from transportation of LNG in trucks, as well as potential traffic/transportation from a significant number of truck trips from the source of LNG to the North Coastal System, the risk of upset/hazards due to trucking LNG, and emissions from mobile compressors and LNG vaporizers. Further analysis may result in the identification of additional environmental impacts.

[53] Compressed natural gas (CNG) was not considered as an option for this alternative as it is not practical given the significant gas supply requirements.

SoCalGas dismissed this non-pipeline alternative from further consideration based on the facts that it is not feasible at this time and only theoretically meets objectives 1 and 2 of the Proposed Project due to availability. California does not currently have any LNG port terminals. There is only one LNG production facility in California, owned by Clean Energy and located in Boron, approximately 190 miles from Goleta. The facility produces approximately 180,000 gallons of LNG per day, expandable to 270,000 gallons per day. This is equivalent to approximately 14.8 – 22.3 MMcfd, or 21-31% of the daily volume required during the summer operating season.

The LNG would have to be delivered somewhere in the region where it can be injected into the backbone transmission system at the appropriate pounds per square inch gauge (psig) utilizing the appropriate equipment, including 20 vaporizers and 38 mobile compressors. Given that three delivery trailers per hour will need to be switched to supplying the LNG delivery site to meet daily flow requirements, 24/7/365 staffing will be required. The scale of the delivery operation is expected to require approximately 3 acres that would be disturbed. Moreover, the cost is prohibitive: using recent prices of $1.23/gallon, the estimated cost of one year's worth of LNG alone is over $222 million – about 35% of the estimated cost of the Proposed Project. Annual costs for transportation, on-site equipment, and labor are preliminarily estimated at over $151 million. The total estimated annual cost for the LNG alternative is $373 million ($222 million + $151 million).[54]

SoCalGas does not intend to further study this non-pipeline alternative given that the required LNG supply is not readily available; that the requirements for this alternative include a

[54] These approximations are based on AACE Class 5 estimates.

large amount of land at a single or multiple locations, significant compression for the vaporized LNG to avoid installing compression on the existing transmission system, and significant investment in LNG production, staffing, and delivery capabilities; and there is currently no regulatory mechanism that yields reliable supply in a sufficient volume to the targeted area.

b. Technology Alternatives

(1) All-Electric Compression Alternative

SoCalGas conducted a high-level analysis in order to determine whether an all-electric compression alternative could be viable. This alternative would entail installation of four new electric compressors, which would require approximately 10 MW of electrical energy. Electricity would be provided by Southern California Edison (SCE) and would require a new on-site substation and potentially one new circuit (and an additional circuit for redundancy), as well as new or reconductored off-site electric lines. These additions would require an additional acre of space beyond the eight acres SoCalGas owns at the site of the existing compressor station. Some on-site electric generation could be provided from rooftop-mounted solar panels and electric storage could be provided by an on-site battery energy storage system (BESS),[55] although incorporating BESS could only provide supplemental power sufficient for administrative needs (e.g., office building), not the compressors. A compressor building would be constructed to house the equipment, along with an office building and warehouse. The existing gas compressors and related infrastructure, as well as the structures currently on site, would be removed.

[55] The length of time that a BESS could supply power would be contingent on the size and capacity of the BESS, likely between 3 and 5 days at most. *See* PEA at Section 4.2.5.

A preliminary desktop analysis was undertaken to assess the options for a secondary electrical feed from SCE routed to the Ventura Compressor Station to serve as a backup in the event of an outage to the main electrical feed. There are several SCE substations within a 10-mile radius of the Ventura Compressor Station from which power may potentially be served. For example, the shortest route option, Tayshell Substation, would require an approximate 3.5-mile routing of transmission overhead power lines, which would require an estimated eleven (11) dead end towers and forty-five (45) tangent structures to be installed. In addition to the SCE infrastructure, an onsite substation would also need to be constructed at the site. Preliminary assessment indicates a substation would require approximately one acre to house the SCE-maintained electrical infrastructure. The substation installation would include an 80-foot wide x 80-foot long x 33-foot high square box-type steel structure with foundation to terminate the incoming 66kV service lines. Two additional box-type steel structures, approximately12-foot wide x 24-foot long x 18-foot high, would be required to terminate the 4 kV underground incoming lines.

Other required features of the substation would include:

- One 15’ x 10’ x 35’ Mechanical Electrical Equipment Room (MEER) Building to house batteries, battery charger, AC and DC distribution panels, protective relays, and other equipment.
- One weatherproof revenue metering cabinet supported by steel pipe with foundation to house meters, associated equipment, and switches. Enclosed cabinet with a 6-foot wide x 8-foot x 6-foot high chain link fence without barbed wires and a 4-foot wide walk-in gate for access.

- One 66/4 kV, 16.8/22.4/28 MVA, ONAN/ONAF/ONAF, wye-delta-wye power transformer and oil containment with LTC and high/low side neutral current transformers along with three 66 kV circuit breakers and other ancillary equipment.
- Three light poles for station lightning.

The required onsite substation for this alternative would displace the infrastructure required to build the new facility and therefore is an infeasible option.

Another option for standby generation at the site is a combination of an electrical substation, which is explained above, and the natural gas engine solution for back-up power. One method to meet the power requirement with the use of a natural gas engine would be through the installation of a 10 MW gas turbine power generator package outfit with ancillary support features including an exhaust stack (which is a separate emission source), selective catalytic reduction, and supporting aqueous ammonia storage tank, inlet air filtering, lube oil tanks, coolers etc. In addition, an engine such as diesel engine would be needed to "kick-start" the starting motor for the turbine engine. The unit and support equipment would need to be housed within an enclosed building to attenuate additional noise and protect against fire in the event of equipment malfunction and varying weather conditions. An onsite stepdown, oil-filled transformer would also be required to step down voltage to meet the equipment operating parameters and load. The turbine generator package will require an additional half acre for the equipment and supporting auxiliary systems referenced above. The additional plot space required for this option in the configuration explained above will not fit within the existing 8-acre site.

This alternative meets some of the objectives of the Proposed Project: it would reduce NOx emissions, can be in service in a timely fashion, should allow for maintenance of continuity of operations at the existing Ventura Compressor Station until it goes into service, and could be

deemed a prudent use of ratepayer funds. Moreover, since it contemplates use of the existing Ventura Compressor Station site, it satisfies the essential site criteria. However, it does not fully meet other objectives of the Proposed Project, primarily due to exclusive reliance on electricity to run the new compressors. Given that wildfire risk is an ever-present threat in the area, public safety power shutoffs (PSPS) should reasonably be expected. During the Thomas Fire that affected Ventura and Santa Barbara counties, power was lost for several hours, and PSPS were subsequently imposed during high wind conditions. In scenarios like these when there is no power, SoCalGas would not be able to move gas up to the North Coastal System to serve customer demand, nor would it be able to replenish the La Goleta Storage Field. Neither on-site solar nor battery solutions can compensate for an extended PSPS event. Further backup power options may be available from emerging technologies in the future and can be assessed at that time.

Moreover, because the gas system may be used to re-start the electric grid when it is down, having the compressor station completely dependent on power (and thus possibly unavailable when it is needed) is not prudent. A gas system that can operate independently best serves California. Relying completely on electric compressors and electric utility power reduces the resilience of the integrated energy system.

Options for back up and standby generation were evaluated as noted above; however, the current options are not feasible at the current location. Thus, during an extended PSPS event or other scenarios when there is no power, SoCalGas would not be able to meet its obligation to provide reliable service, and customers in the area would be doubly burdened—by the loss of electricity and gas—during electric outages. As such, this alternative was dismissed from further consideration. Although SoCalGas supports efforts to decarbonize our energy system, including

through the use of electric-driven compressors, it must be done in a manner that does not jeopardize reliability.

(2) 3/1 Hybrid Compression Alternative

SoCalGas conducted a high-level analysis of this alternative, which is essentially the same as the all-electric compression alternative, except it contemplates installation of three electric compressors, instead of four, and the addition of one new gas compressor. The scope of this alternative remains identical in all other ways (e.g., it will require a new on-site substation, etc.).

Off-site and on-site design features to offset the potential risk of PSPS events were considered. Based on preliminary analysis, approximately 8 MW of electric power would be needed and may be available on SCE distribution-level service. To minimize the risk of loss of power during a PSPS event, two unique power lines of at least 66 kV that interconnect to two different circuits at two different substations could be installed. The exact size and location would need to be developed in consultation with SCE. This option presents several challenges due to SCE circuit availability and the need to construct additional off-site electrical infrastructure.

On-site generation would require approximately 8 MW of electrical energy. Solar, BESS, and fuel cells were preliminarily evaluated. A utility-scale solar power plant may require between 5 and 10 acres per MW of generating capacity.[56] Given the baseline power needed, a minimum of 30 to 60 acres would be necessary, which would not be feasible at either the existing site or potential alternative locations. Also, as discussed above, incorporation of BESS

[56] Solar Energy Industries Association, *Land Use & Solar Development*, *available at:* https://www.seia.org/initiatives/land-use-solar-development.

could provide supplemental power that would be sufficient to support administrative needs only (e.g., office building).

The substation would require an additional acre as discussed in Section V.D.3.f, *supra*. An additional option for backup power source would be a combination of electrical substation and a gas turbine power generator package similar to what was described in Section V.D.3.f *supra*. As discussed there, the standby generation options of an electrical substation and gas-powered turbine engine would require one acre and a half acre, respectively, and would displace the infrastructure required to build the new facility; therefore, it is not a feasible option.

This alternative satisfies the same project objectives as the all-electric compression alternative, and also satisfies the essential site criteria. However, this alternative also suffers from the same issue that prevents the all-electric compression alternative from being a viable alternative to the Proposed Project: in the event of a power outage, which should reasonably be expected for the reasons described above, SoCalGas could not reliably serve customer demand and/or inject the required amounts into the La Goleta Storage Field. Although this hybrid option contemplates one gas compressor, just one compressor might not provide sufficient compression power to continue to maintain reliable service in the North Coastal System, even in combination with the electric compressors running as possible on available back-up power. While the La Goleta Storage Field could provide gas supplies, depending on the time of year, it may not have sufficient gas supply, or it may not be available due to required inventory shut-ins. During inventory shut-ins, other storage field maintenance may be needed which precludes SoCalGas from using the storage field on short notice. Because this alternative cannot support reliability, this alternative was not studied further.

Table 4 shows the objectives met by each of the alternatives discussed above.

	Objective 1	Objective 2	Objective 3	Objective 4	Objective 5	Objective 6	Objective 7	Objective 8
Proposed Project	X	X	X	X	X	X	X	X
Gas End-Use Electrification								
Energy Efficiency								
RNG Gas Supply	X*	X*						
Market Mechanism								
LNG Deliveries / Virtual Pipeline	X*	X*						
All-Electric Compression					X	X	X	X
3/1 Hybrid Compression					X	X	X	X
*While RNG and LNG theoretically could meet Objectives 1 and 2, current and near-term supply is insufficient to meet operation requirements and promote system reliability.								

Table 4 Comparison of Proposed Project and Dismissed Alternatives to Project Objectives

4. Alternatives Considered Further

SoCalGas further considered five alternatives and evaluated them pursuant to the requirements of GO 177 and the CPUC Guidelines for Energy Project Applications Requiring CEQA Compliance: Pre-filing and Proponent's Environmental Assessments. As described above, no non-pipeline alternatives were feasible nor sufficiently met the objectives of the Proposed Project and the essential site criteria such that they warranted further consideration. As discussed below, because the Proposed Project is in an ESJ Community, as defined by the Commission in its ESJ Action Plan, SoCalGas endeavored to further consider alternative sites for a project that could meet the objectives. Refer to the PEA at Section 5 for analysis of environmental impacts of the Proposed Project and Section 6 for discussion of environmental impacts of the alternatives as compared to the Proposed Project.

a. Proposed Project

The scope of the Proposed Project includes: (a) replacing the three existing aging gas compressors with two new gas compressors equipped with state-of-the art emission control technology and two new electric compressors with zero local emissions that provide additional horsepower; (b) erecting a 10,458-square foot (sf) building to house the new compressors; (c) erecting a 4,641-sf permanent office building; (d) erecting a 5,459-sf warehouse; (e) constructing other ancillary site improvements, including installation of piping interconnection, storage tanks, and auxiliary equipment such as gas scrubbers, a natural gas standby generator, power distributor center, etc., to support operation of the new compressors; and (f) installing a new 8-foot-tall perimeter block wall to replace the existing chain-link fence/block wall. All project activities will occur at the site of the existing Ventura Compressor Station, except the staging area will be located off site, adjacent to the Ventura Compressor Station.

The Proposed Project offers many advantages. It meets all the necessary objectives to support reliability, resiliency, and affordability in a timely fashion at a reasonable cost, and it also meets all the essential site criteria. Moreover, as the Proposed Project would be sited on SoCalGas's existing Ventura Compressor Station property, it does not require zoning changes, is consistent with SoCalGas and emergency responder access requirements, and offers cost savings and efficiencies. A preliminary geotechnical report for the site already exists. Moreover, the topography of the site is relatively flat, which reduces risk associated with slope instability and ground shaking. The new compressors would also meet VCAPCD and safety requirements, and moreover would be able to meet operating requirements, including during power outages due to the hybrid configuration. The hybrid configuration proposed also works with the current electrical feed off Olive Street, so no new electric transmission lines or additional infrastructure

need be installed. New pipelines are also not needed as the new compressors can be integrated into the existing system.

Disadvantages include that the current site is located within an ESJ community, as discussed further in Sections V.D.5, V.D.8, and V.G.1, *infra*. Another potential disadvantage is that, given that there will be some construction and compressors and related equipment brought to the site, there may be dust generation, noise, and visual/aesthetic changes. However, these impacts would be minimized as all the work would occur on the existing site. Discussion regarding the environmental analysis for the Proposed Project is found in the PEA at Section 5.

b. Supplemental Electric-Driven Compressor Installation Only Alternative

SoCalGas further evaluated this alternative that entails supplementing the existing three gas compressors with new electric compressors.[57] The operation of the compressor station would primarily utilize the electric compressors and use the existing gas compressors only as needed, i.e., primarily when the La Goleta Storage Field is on injection. There would be no need to remove equipment or demolish the buildings contemplated in the Proposed Project, but a building to house the new electric compressors and the associated improvements would need to be constructed, and necessary auxiliary equipment would need to be installed.

This alternative has many—but not all—of the advantages of the Proposed Project. It meets some of the necessary objectives to support reliability, resiliency, and affordability, and it also meets all the essential site criteria. Moreover, as with the Proposed Project, it would be sited on SoCalGas's existing Ventura Compressor Station property, does not require zoning

[57] SoCalGas has not yet identified the electric compressors for this alternative. The selection of electric compressors, including their count and horsepower, would depend on their compatibility with the existing compressors' design.

changes, is consistent with SoCalGas and emergency responder access requirements, and offers some cost savings and efficiencies. A preliminary geotechnical report for the site already exists. Moreover, the topography of the site is relatively flat, which reduces risk associated with slope instability and ground shaking. The new compressors would also meet VCAPCD and safety requirements, and would be able to meet operating requirements for some time (i.e., for the duration that the existing compressors are able to continue operating), including during power outages due to the hybrid configuration. This alternative also is expected to work with the current electrical feed off Olive Street, so no new electric transmission lines or additional infrastructure need be installed. This alternative involves the least amount of construction activity. New pipelines are also not needed as the new compressors can be integrated into the existing system. And, while there may be dust generation, noise, and visual/aesthetic changes, these impacts would be minimized as all the work would occur on the existing site and, moreover, it is expected that these impacts would be less than the Proposed Project given that there will be less construction and no demolition. Please refer to Section 6 of the PEA for a complete discussion regarding the environmental analysis of this alternative.

Disadvantages include that this alternative will only enhance reliability for as long as the existing gas compressors, which are already well past their design life, function. This will cause continued investment in the existing compressors and associated infrastructure to extend the compressors' lifespan without any certainty as to how long. After the gas compressors reach the end of their life, which they inevitably will, this alternative will not be able to operate reliably in the event of power outages. This alternative also continues to utilize compressors that are over 30 years old and do not offer the technological advances that newer compressor engines would. For example, newer compressors are built to stop and re-start without significant downtime,

which allows SoCalGas to respond to variable demand on the system. Another disadvantage is that the current site is located within an ESJ community.

c. Avocado Site Alternative

SoCalGas further considered this alternative, which contemplates constructing an entirely new hybrid-configuration compressor station and related appurtenances at a different site than the existing one--approximately 3,000 feet west of the compressor station property. This location would require the following off-site infrastructure: widening, regrading, and paving Taylor Ranch Road to be a minimum 24-feet wide with less than a 20% grade to meet access needs; approximately 0.18 miles of a new pipeline system with two mainline valves that would tie into the existing gas system pipelines; and subterranean utility lines beneath Taylor Ranch Road that would tie into existing facilities at West Main Street. An approximately 5.63-acre temporary construction staging area would be located at the base of Taylor Ranch Road and West Main Street. Approximately 0.83 miles of off-site aboveground electrical utility extensions (including 30 new poles) would also be required to accommodate the two electric compressors.

This alternative meets all the necessary objectives to support reliability, resiliency, and affordability, and it also meets all the essential site criteria. The new compressors would meet VCAPCD and safety requirements, and would be able to meet operating requirements, including during power outages due to the hybrid configuration.

This alternative also presents many disadvantages in addition to the extensive off-site work described above. The land is not currently zoned for the project contemplated. It is designated as "Open Space" and zoned by the County of Ventura as "AE-40 ac – Agricultural Exclusive." The purpose of Ventura County zoning ordinance AE-40 zone "is to preserve and protect commercial agricultural lands as a limited and irreplaceable resource, to preserve and

maintain agriculture as a major industry in Ventura County and to protect these areas from the encroachment of nonrelated uses which, by their nature, would have detrimental effects upon the agriculture industry."[58] The property is additionally located within an area governed by the Save Open-Space and Agricultural Resources (SOAR) initiative. A Geotechnical/Soils report has not been performed. Moreover, the property is privately owned and it is unknown whether the property could even be acquired for the project.[59] Even if eminent domain were available to acquire the property, it could take years through the court system to do so. Since this site requires building a compressor station from scratch, including pad grading, access road, onsite utility installations, and installation of foundations, buildings, and compressors, construction is expected to take 60 months.

The topography of the property itself is not well suited for the project. The slope of the property ranges from 0 to 70 percent and would require grading and potentially installing retaining walls or soil nails to create a level pad for compression equipment and operational needs. A 2:1 slope is typically required to meet acceptable engineering design standards, which in turn requires a larger footprint than the actual building pad ("catch points"). Given the slope of the site, significant grading would be required. Whereas 8 acres are required for the Proposed Project, constructing this alternative would require 15 acres, with approximately 7 acres to address the slopes and hill cutback.

SoCalGas's existing gas transmission pipelines would have to be rerouted to the Avocado Site, which would require grading, trenching, pipeline installation, and potentially acquisition of

---

[58] Ventura County Resource Management Agency, *Ventura County Non-Coastal Zoning Ordinance* (March 3, 2023), *available at:* https://docs.vcrma.org/images/pdf/planning/ordinances/VCNCZO_Current.pdf.

[59] SoCalGas reached out to the property owner after the site was identified in the feasibility study.

additional pipeline rights-of-way that would take approximately 6-12 months (which could occur concurrently with other onsite work).

The use of electric compressors at this site would require additional off-site electrical infrastructure to support the project, which in turn would require additional grading and overhead electrical infrastructure. Potential impacts from this alternative may include dust generation, noise, and visual/aesthetic impacts from the construction, road grading, pipeline rerouting, electrical installation, and access road. Additionally, the compressor station would be more visible at this location (which is currently visible from US 101, State Route 33, and many other public areas throughout Ventura). Please refer to Section 6 of the PEA for a complete discussion regarding the environmental analysis for this alternative.

d. Devil's Canyon Road Site Alternative

SoCalGas further considered this alternative, which contemplates constructing an entirely new compressor station at a different site than the existing one. This site is located approximately 5,300 feet northwest of the existing compressor station property. This location would require approximately 0.97 miles of a subterranean pipeline system beneath Devil's Canyon Road that would tie into the existing gas system pipelines using two mainline valves and minor upgrades to an approximately 0.36-mile-long existing access road to accommodate the alternative. An approximately 6.27-acre construction staging area would be located northwest of the intersection of Shell Road and Ventura River Trail, approximately 0.25 miles from the existing access road. To accommodate the two electric compressors, approximately 0.85 miles of off-site aboveground electrical utility extensions (including 40 new poles) would also be required.

Like the project proposed at the Avocado Site, the Devil's Canyon Road alternative meets all the necessary objectives to support reliability, resiliency, and affordability, and it also meets all the essential site criteria. The new compressors would also meet VCAPCD and safety requirements, and would be able to meet operating requirements, including during power outages due to the hybrid configuration. Access to the site is consistent with SoCalGas and emergency responder access requirements.

This alternative site, however, has many disadvantages in addition to the off-site work listed above. The site is privately owned and it is unknown whether the property could be acquired for the project.[60] Even if eminent domain were available to acquire the property, it could take years through the court system to do so. The site has been used historically for oil extraction and thus is likely to require soil remediation, although a Geotechnical/Soils investigation has not been performed. The slope of the property ranges between 0 and 30 percent, with the majority of the site less than 10 percent, thus requiring grading for over-excavation and re-compaction for building foundations and utility trenching. Since this site requires constructing a compressor station from scratch, including pad grading, access road, onsite utility installations, and installation of foundations, buildings, and compressors, construction is expected to take 44 months.

Existing gas transmission pipelines would need to be rerouted to the new site location, which would require grading, trenching, pipeline installation, and potential acquisition of additional pipeline rights-of-way. Construction of the foregoing work would take approximately 6-12 months (which could occur concurrently with other onsite work). The use of electric

[60] SoCalGas reached out to the property owner after the site was identified in the feasibility study.

compressors at this site would require additional off-site electric infrastructure to support the project, which in turn would require more grading and overhead electrical infrastructure. Potential impacts from this alternative may include dust generation, noise, visual/aesthetic, and biological resources impacts from the construction, road grading, pipeline rerouting, and electrical installation. Please refer to Section 6 of the PEA for a complete discussion regarding the environmental analysis for this alternative.

e. Ventura Steel Site Alternative

SoCalGas further considered this alternative which contemplates constructing an entirely new compressor station at a different site than the existing one. This site is located approximately 7,000 feet north of the existing compressor station property to the east of North Ventura Avenue. This location would require the following off-site infrastructure: approximately 1.61 miles of subterranean pipeline system beneath the alignment of North Ventura Avenue that would tie into the existing gas system pipelines; approximately 3.16 miles of a subterranean pipeline system through oil/gas fields and undeveloped hillsides that would tie into the existing gas system pipelines using two mainline valves; a 121-foot depressurization line; and 3,600 linear feet of a new permanent 12-foot-wide road for construction access to the new pipeline corridor. The pipelines would be constructed in a phased process to minimize the extent of required lane closures, allow for adequate northbound-southbound traffic flow during roadway construction, and allow for adequate space between the new pipelines and existing utility lines. An approximately 4.69-acre temporary construction staging area would be located north of the Ventura Steel site. To accommodate the two electric compressors, approximately 0.02 miles of off-site aboveground electrical utility extensions (including 2 new poles) would also be required.

Like the projects proposed at the Avocado and Devil's Canyon Road alternative sites, this project alternative meets all the necessary objectives to support reliability, resiliency, and affordability, and it also meets all the essential site criteria. The new compressors would also meet VCAPCD and safety requirements, and would be able to meet operating requirements, including during power outages due to the hybrid configuration. The property is appropriately designated and zoned (as "Industrial" and "M3-10,000 sf – General Industrial, 10,000 sf minimum parcel size") for the project.

This alternative also presents many disadvantages in addition to the extensive off-site work described above. The site is in an ESJ community, as discussed further below. The site is also privately owned and it is unknown whether the property could be acquired for the project.[61] Even if eminent domain were available to acquire the property, it could take years through the court system to do so. The site has been used historically for oil extraction and thus is likely to require soil remediation, although a Geotechnical/Soils investigation has not been performed. The majority of the site is less than 10 percent slope and thus would require onsite grading related to over-excavation and re-compaction for structural foundations and grading to relocate and install pipelines. Since this site requires constructing a compressor station from scratch, including pad grading, access road, onsite utility installations, and installation of foundations, buildings, and compressors, construction is expected to take 44 months.

This site is not located within SoCalGas's existing transmission corridor. Existing gas transmission pipelines would need to be rerouted to the new site location, which would require grading, trenching, pipeline installation, and potential acquisition of additional pipeline rights-of-

[61] SoCalGas reached out to the property owner after the site was identified in the feasibility study.

way. Construction of the foregoing work would take approximately 12 months (which could occur concurrently with other onsite work). Supporting utility connections for water, electricity, sewer, and telecommunications may also require rerouting or upgrades. At the least, the use of electric compressors at this site will increase electric demand and would require additional electric infrastructure to support the project, which in turn would require more grading and overhead electrical infrastructure. Additionally, road closures on Ventura Avenue would be necessary: one lane would be closed for up to 6 months to maintain traffic flow, and then an alternate lane would be closed for up to 6 months, with traffic control measures in place for the duration of the work. Potential impacts from this alternative may include dust generation, noise, visual/aesthetic, and biological resources impacts from the construction, road grading, pipeline rerouting, and electrical installation. Please refer to Section 6 of the PEA for a complete discussion regarding the environmental analysis for this alternative.

f. No Project Alternative

The No Project alternative would result in operating and maintaining the existing compressor station as it is currently configured. As described in this Application, the existing configuration is insufficient to meet SoCalGas's needs to support reliability given the loss of local producer supply and the critical importance of the availability of inventory at the La Goleta Storage Field. Moreover, the age and use of the compressors have necessitated the imposition of mechanical limitations, and reductions in capacity have been posted for the La Goleta Storage Field, which pose further risks to reliability. Furthermore, the existing compressors do not have the advantages of newer compressors, including the ability to be used efficiently based on technological advances that allow them to be stopped and restarted without significant downtime and reduced emissions.

None of the Proposed Project objectives are met by the No Project alternative. Without the Proposed Project, SoCalGas's ability to serve the North Coastal System and fill the La Goleta Storage Field to capacity in the summer operating season—which impacts the reliability of the entirety of SoCalGas's system—remains in jeopardy. Customer demand in the North Coastal System is served almost exclusively by supplies that pass through the Ventura Compressor Station. The Ventura Compressor Station also supplies gas for injection into the La Goleta Storage Field. As described above, not having sufficient inventory at the La Goleta Storage Field has broader impacts outside SoCalGas's system: gas-fueled electricity generators could be affected, and thus the reliability of the electric grid is also jeopardized. The risk is expected to exacerbate through the energy transition given the anticipated increased dependence on gas transmission and storage facilities. Moreover, affordability can be impacted when there is not sufficient inventory at the La Goleta Storage Field to withdraw during the winter operating season.

The advantages of the No Project alternative are that, after the decision in this proceeding is final, no additional direct costs will be incurred for the Proposed Project.[62] However, there are continuing, and possibly increasing, costs for inspection and maintenance of the existing Ventura Compressor Station because the No Project alternative does not mean the compressor station would be decommissioned in the near future. Rather, the No Project alternative would result in operating and maintaining the existing compressor station as it is currently configured. The existing compression equipment, consisting of three 1,100 HP compressors installed in the 1980s, would continue to be housed in the existing compressor building and would operate based

[62] SoCalGas has incurred costs to develop the Proposed Project, and prior iterations of the Proposed Project, including complying with the Commission's directives, and may incur additional costs at the Commission's direction within this proceeding.

on natural gas operational system demand. The temporary office trailer would continue to provide office and administrative facilities for station staff and visiting consultants, and warehousing/storage would remain in the temporary storage containers. Piping and other supporting on-site infrastructure for both the transmission system and the distribution system would remain the same.

The disadvantages of the No Project alternative are many. As described above, the three compressors currently in use are almost 40 years old, and they do not have sufficient horsepower to both serve customer demand in the North Coastal System and fill the La Goleta Storage Field during the summer operating season sufficient to support future demand both in the North Coastal System and across the entirety of SoCalGas's system. The average daily customer demand in the North Coastal System during the summer operating season used in the design of the station is 60 MMcfd, and 100 MMcfd is required to fill the La Goleta Storage Field during the summer operating season, resulting in an average daily throughput requirement of 160 MMcfd. However, the throughput capacity of the Ventura Compressor Station is currently 90 MMcfd—well short of the 160 MMcfd requirement. After meeting customer demand, only 30 MMcfd is left to inject at the La Goleta Storage Field, which equates to approximately 6.5 Bcf for the summer operating season—well below its capacity of 21.5 Bcf.

The inability to fill the La Goleta Storage Field also places greater burden on the existing equipment at the Ventura Compressor Station. With insufficient inventory at the La Goleta Storage Field during the winter operating season, the existing three compressors at the Ventura Compressor Station would have to be operated more frequently to meet both customer demand on the North Coastal System and to replenish stored gas supply at the La Goleta Storage Field to maintain withdrawal capacity (as described *supra* at Section III.A, *supra*). Operating the nearly

40-year-old compressors for extended periods would result in increased wear and tear, require them to be taken out of service frequently for maintenance, and the compressors would be operated throughout the winter operating season, which is typically when maintenance is performed on them.

The design life of the existing three compressors is 30 years. Even with increased inspections and maintenance, the lifespan of the compressor units is not indefinite. Increased maintenance could include the overhaul and upgrades of individual compressor units, potential replacement of deteriorating compressor foundations and ancillary components such as piping, piping supports, pipe appurtenances, electrical infrastructure, instrumentation, and obsolete control system, or possibly replacing the entire station once beyond reasonable repair. Continuing to run the same compressors may also necessitate an additional decrease in station capacity. In any event, the North Coastal System would still be constrained by the available horsepower at the station.

Other impacts of needed maintenance should also be considered with the No Project alternative, including extended outages not only of individual units but also the entire facility. Inspection ranges are 1-2 weeks per unit and can be as long as 5 weeks per unit for major overhauls. Maintenance to extend the life of the existing plant equipment and infrastructure could necessitate significant planned outages. While the compressors are out for maintenance, they cannot flow gas, resulting in an even greater deficit of supplies. Moreover, the ancillary equipment, such as compressor foundations, piping, piping supports, pipe appurtenances, electrical infrastructure, instrumentation, and control system, could also require remediation that could result in extended outages.

5. If the proposed project is located within an Environmental and Social (ESJ) Community as defined in the most recent version of the Commission's ESJ Action Plan, the discussion of alternatives shall discuss whether it is possible to relocate the project and, if so, steps taken to locate the project outside such areas

In its ESJ Action Plan, the Commission categorizes Disadvantaged Communities as a type of ESJ Community. Disadvantaged Communities are defined as census tracts that score in the top 25% of CalEnviroScreen 3.0,[63] along with those that score within the highest 5% of CalEnviroScreen 3.0's Pollution Burden category but do not receive an overall CalEnviroScreen score.

CalEnviroScreen is a mapping tool managed by the California Office of Environmental Health Hazard Assessment (OEHHA) that helps identify California communities that are most affected by many sources of pollution and where people are often especially vulnerable to the effects of pollution. Census tracts with higher CalEnviroScreen scores have relatively high pollution burdens and population sensitivities.[64]

[63] Although the ESJ Action Plan specifically identifies CalEnviroScreen 3.0, the current version is CalEnviroSceen 4.0. All data presented here is from CalEnviroScreen 4.0, which is *available at:* https://experience.arcgis.com/experience/11d2f52282a54ceebcac7428e6184203/page/CalEnviroScreen-4_0/.

[64] OEHHA, *CalEnviroSceen 4.0* (October 2021), *available at:* https://oehha.ca.gov/media/downloads/calenviroscreen/report/calenviroscreen40reportf2021.pdf

Proposed Project/Alternative	Census Tract[1]	CalEnviroScreen Score	CalEnviroScreen Pollution Burden	ESJ Community?
Proposed Project	6111002300	83%	87%	Yes
Avocado Site	6111001206	NA[2]	79%	No
Ventura Steel Site	6111001204 (compressor station, pipeline relocation, and electrical line)	31%	69%	Yes
	6111002300 (pipeline relocation)	83%	87%	
	6111002200 (pipeline relocation and electrical line)	60%	57%	
Devil's Canyon Road Site	6111001206	NA[2]	79%	No
[1]Census Tract(s) for permanent facilities installed for each alternative [2]Census Tract 6111001206 does not have a CalEnviroScreen Score provided				

Table 5. CalEnviroScreen Scores for Proposed Project and Alternatives

The Proposed Project and the Ventura Steel alternative would both have permanent facilities installed in Disadvantaged Communities, meeting the CPUC's definition of an ESJ community.

The Proposed Project and the alternatives were evaluated as described above. The Proposed Project remains the preferred project, despite being in an ESJ community, for the following reasons:

1) The Proposed Project serves the purpose and need for the compressor station and meets all the objectives, as described in Sections II and III of this Application.

2) Due to limited project scope and duration as compared to constructing an entirely new compressor station plant at any of the alternative site locations, the Proposed Project would be able to be in service sooner than the alternatives, thus providing

greater reliability benefits in the North Coastal System for residential, business, industrial, and electric generation customers.

3) The Proposed Project reduces permitted NOx and ROC emissions by 75%. Even further reductions may be realized given SoCalGas's commitment to prioritize the electric compressors as "first on" and "last off" in our system operation.

4) The Proposed Project offers significant cost savings to our ratepayers given the limited project scope and duration as compared to constructing an entirely new compressor station plant at any of the alternative sites.

6. A listing of the governmental agencies with which proposed route reviews have been undertaken, including a written agency response to the applicant's written request for a brief position statement by each agency. In the absence of a written agency position statement, the utility may submit a statement of its understanding of the position of such agencies

SoCalGas reviewed its plans for the Proposed Project with the following governmental agencies.

a. City of Ventura

The City of Ventura did not respond to SoCalGas's request for a position statement.

The City of Ventura was informed about the Proposed Project in 2019. At that time, it indicated it did not foresee significant community opposition to the project. It also offered recommendations of community groups and officials to inform before the project began. However, questions regarding the Proposed Project began to be voiced in 2021, leading the City of Ventura to adopt a resolution requesting the State conduct a full and complete review of the environmental, health, and safety issues associated with the compressor station.

In 2022, the City became a party in SoCalGas's 2024 General Rate case proceeding, where it expressed opposition to an expansion of the Ventura Compressor Station and requested

that the project be considered separate from the 2024 GRC, in a venue where the location and other project characteristics could be evaluated in an application for a CPCN. The City also requested that SoCalGas suspend planning, procurement, and construction activities at the Ventura Compressor Station until the Commission issues a decision on the application. Additionally, the City recommended robust communications with the community, particularly the Westside of Ventura, which SoCalGas did (please refer to Section V.G.2, *supra*).

The City of Ventura has been briefed on the CPCN application process, milestones, and opportunities to engage.

b. County of Ventura

The County of Ventura did not respond to SoCalGas's request for a position statement.

The County of Ventura passed a resolution on February 1, 2022 requesting that the CPUC assess the neighborhood compatibility of the Proposed Project and the California Environmental Protection Agency consider potential relocation of the facility and conduct a comprehensive health study of nearby stakeholders.

The County of Ventura has been briefed on the CPCN application process, milestones, and opportunities to engage.

c. Ventura Unified School District

The Ventura Unified School District (VUSD) did not respond to SoCalGas's request for a position statement.

The VUSD is a respected community partner, educating local youth and protecting their safety while in their care. As such, those opposed to the project have encouraged VUSD to also oppose the Proposed Project because the Ventura Compressor Station is located across the street

from E.P. Foster Elementary School (the E.P. Foster Elementary School was constructed in 1929 across from the compressor station). In 2021, VUSD approved a motion similar to the City of Ventura's, urging State agencies to review environmental, health, and safety issues associated with the Proposed Project.

The VUSD has been briefed on the CPCN application process, milestones, and opportunities to engage. The VUSD has encouraged SoCalGas to communicate with local stakeholders and keep communication channels open.

d. Ventura County Air Pollution Control District

Ventura County Air Pollution Control District (VCAPCD) provided a position statement, stating in relevant part:

> "It is the District's expectation that SoCalGas will submit an Authority to Construct application for the revised Ventura Compressor Station Modernization Project. An Authority to Construct will be issued by the District within the guidelines and timelines of District Rule 13, 'Actions Applications for an Authority to Construct,' provided that application demonstrates compliance with all applicable rules and regulations, including the BACT and offset requirements of Rule 26, as described above."

Please refer to the entire position statement provided by VCAPCD at Attachment A.

e. Department of Toxic Substances Control

The Department of Toxic Substances Control (DTSC) provided the attached position statement, noting in relevant part: "[T]he Department of Toxic Substances Control does not have any concerns with the proposed project."

Please refer to the entire position statement provided by DTSC at Attachment B.

f. Native America Heritage Commission

The Native American Heritage Commission (NAHC) did not respond to SoCalGas's request for a position statement. SoCalGas is not aware whether NAHC has taken a position on the Proposed Project.

7. The discussion of alternatives shall include a cost analysis comparing the proposed project with any feasible alternatives, including non-pipeline alternatives, calculated over the lifetime of the project

SoCalGas developed cost estimates in accordance with the American Association of Cost Engineers (AACE) for the Proposed Project and various alternatives, including feasible non-pipeline alternatives. The cost estimate for the Proposed Project is at Class 3—further developed than for the other alternatives because SoCalGas could utilize some of the previous Front-End Engineering Design (FEED) information that was developed for a prior iteration of the project after it was authorized by the Commission. Specifically, the gas compressor equipment and associated components would be the same for the Proposed Project's hybrid configuration station as for the prior scoped project, and thus those portions can be repurposed. Cost estimates for all other alternatives have been developed based on preliminary site consideration and construction assumptions, and thus are considered Class 5 estimates with a broader range of accuracy.

Operational costs are related to the ongoing annual costs incurred to operate the compressor station and include the cost of electricity, cost of natural gas, annual compressor maintenance, and landscape maintenance. A hybrid configuration station requires more electric power; as such, electricity is a greater portion of the operational cost.

Table 6 shows the estimated construction duration, cost class and estimate, annual operational costs, and in-service date for each of the projects considered. The Notice of Operations (NOP) is the date when construction, commissioning, and startup of the new station

are anticipated to be completed. Schedules were developed based upon accepted industry standards using AACE ROP- 91R-16, "Schedule Development" (AACE 2020). The alternative sites will require extensive infrastructure engineering, planning, and site grading—thus pushing out the in-service dates by 3-4 years beyond the Proposed Project.

	Estimated Construction Duration (months)+	In-Service Date (NOP)	Direct Cost (MM)	Indirect Cost (MM)	Total Project Cost (MM)	AACE Estimate Class	Annual Operational Cost*(MM)
Proposed Project	30	Apr 2032	$387	$191	$578	Class 3	$4.4
Avocado Site	60	Feb 2035	$634	$320	$954	Class 5	$4.4
Ventura Steel	44	Jun 2036	$594	$351	$945	Class 5	$4.4
Devil's Canyon Rd	44	Jun 2036	$567	$329	$896	Class 5	$4.4
Supplemental Electric-Driven	36	Jun 2031	$393	$165	$518	Class 5	$4.7

+ Construction durations include site development and grading.
*Operational costs escalated to 2032 dollars for direct comparison with proposed project
*AACE (Association for the Advancement of Cost Engineering) Class 3 estimate range of accuracy +30%/-20%
*AACE Class 5 estimate range of accuracy +100/-50%
*Notice of Operations (NOP)
*MM = million

Table 6. Proposed Project and Project Alternatives Cost and In-Service Date Comparison

8. <u>The discussion of alternatives shall consider pollution burden in the project location and shall discuss steps taken to minimize gas infrastructure density and/or ensure substantial economic benefits to local residents</u>

The Proposed Project's hybrid configuration of two gas compressors and two electric compressors at the existing site of the Ventura Compressor Station is the least impactful to infrastructure density as the necessary gas transmission lines already all converge at that location. Similarly, the Supplemental Electric-Driven Compressor Installation Only alternative would also be considered least impactful as it contemplates keeping the existing compressors and installing new electric compressors at the existing site. The three alternatives that contemplate construction of a compressor station at other sites—Avocado, Devil's Canyon Road, and Ventura

Steel—would all require additional transmission pipeline infrastructure to be installed, although the expansion would be somewhat limited because each of the three alternative sites are in close proximity to the local transmission pipeline network. Please refer to CalEnviroScreen Pollution Burden Scores in Table 5 at Section V.D.5.

E. Basic Project Information (GO-177, § VI(A)(5))

1. A schedule showing the program for right-of-way acquisition, design, material acquisition, construction, testing and operating dates

SoCalGas anticipates the following schedule for the Proposed Project.

Description	Start Date	Finish Date	Duration (Months)
Regulatory	Aug-2023	May-2025	21
Preliminary Design	Feb-2025	Dec-2026	22
New Air Permit Application & Approval (ATC)	Dec-2026	Jan-2029	24
Detailed Engineering	May-2028	Apr-2030	23
Procurement	Jul-2028	Nov-2030	28
Construction, Commissioning & Startup	Oct-2029[65]	Apr-2032	30
In-Service Date (NOP)	N/A	Apr-2032	0
Closeout	Apr-2032	Oct-2033	18

Table 7. Expected Schedule for Proposed Project

[65] The PEA assumes the prior expected construction start date of May 1, 2029.

2. Available site information, including maps and description; present, proposed, and ultimate development; as appropriate, geological, aesthetic, ecological, tsunami, seismic, water supply, population, and load center data

Please refer to the PEA at Section 5 for available site information, including maps and description; present, proposed, and ultimate development; and geological, aesthetic, ecological, tsunami, seismic, water supply, and population data.

3. A map of suitable scale of the proposed routing showing details of the right-of-way in the vicinity of settled areas, parks, recreational areas, scenic areas, and existing electrical transmission lines within one mile of the proposed route

Please refer to the PEA at Sections 3 and 5.

4. Preliminary engineering and design information on the project

Approximately half of the Front-End Engineering Design (FEED)[66] previously completed for the prior scope of work with a four gas-compressor-configuration, which was authorized in SoCalGas's 2019 GRC, can be utilized for the Proposed Project, which contemplates a hybrid gas/electric compressor configuration. This should be sufficient engineering design for purposes of evaluating the environmental impacts of the Proposed Project in the PEA.

SoCalGas's Capital Delivery Model outlines that a project's preliminary FEED engineering design is 30% engineering completion. To complete a 30% FEED for the Proposed Project, about another 15% of engineering design would still need to be completed.

The preliminary design details for the Proposed Project include four (4) new reciprocating gas compressors (two gas engine-driven and two electric motor-driven) to be housed in a new compressor building. Each gas compressor is rated at 1,900 HP using

[66] SoCalGas's Capital Delivery Model outlines that a project's preliminary FEED engineering design is 30% engineering completion. To complete a 30% FEED for the Proposed Project, about another 15% of engineering design would still need to be completed.

Waukesha Model L7044GSU S5 engines as the driver, and each electric compressor is rated at approximately 2,500 HP each (nominal).[67] When all four compressors are operating, they would provide 160 MMcfd of gas at pressures of 1,000 psig. The gas compressors would be equipped with non-selective catalytic reduction systems (NSCRs) which meet BACT requirements, as well as continuous emission monitoring systems (CEMS). The electric compressors would be furnished with Variable Frequency Drives (VFDs) for better control and ease of operation of the compressors. Operating the electric compressors will require a new on-site 16.5KV sub-transmission feed from SCE; SoCalGas has worked with SCE to identify equipment that SCE will supply and install. The new compressors would be connected to the existing station piping at two new tie-in points. The compressors would have all new suction piping (header) feeding the compressors and new discharge piping (header) carrying high pressure gas, including new suction gas filter/separators, a discharge gas cooler, and a discharge gas scrubber. The Proposed Project includes installing an emergency/standby gas engine generator with enclosure to provide back-up power to run the gas compressors during a power outage. The Proposed Project would also install two vapor recovery units.

Additional components of the Proposed Project are described at Section 3 of the PEA. The office building and the warehouse building would be pre-engineered metal buildings (PEMBs). The Proposed Project also includes a Power Distribution Center (PDC) building that will house the switchgear, motor control center (MCC), uninterruptable power supply (UPS), and other auxiliary equipment associated with the new electric compressors and associated loads.

[67] SoCalGas has not yet selected the specific electric compressors it will install, but the maximum horsepower will be 2,500.

5. A project implementation plan showing how the project would be contracted for and constructed. This plan shall show how all major tasks would be integrated and shall include a proposed timetable identifying the design, construction, completion, and operation dates for each major component of the plant, line, or extension

SoCalGas currently estimates the timeline for the Proposed Project as shown in Table 7, above. Table 8 below shows the construction phases for the Proposed Project.

Following completion of the pre-construction activities, SoCalGas will commence construction. SoCalGas uses Engineering, Procurement, and Construction (EPC) contracts for compressor station modernizations as it allows a single EPC contractor to perform all the work and be responsible for the implementation of the project. SoCalGas would solicit an EPC Request for Proposal (RFP) from approximately 3-5 bidders in a competitive bidding process after 30% FEED is completed. After bid evaluation, SoCalGas would select the EPC contractor based on bid evaluation criteria such as safety, commercial (which includes a percentage commitment to Disadvantaged Business Enterprise spend), pricing, technical, and project and construction experience. In addition, SoCalGas will also put a high scoring weight on bidders with a strong safety track record, robust execution plan, experienced engineering and construction team, competitive pricing, and willingness to be transparent.

An EPC contract saves time, costs, and reduces project risk as follows:

- Execution would be more efficient as the EPC contractor would leverage depth of knowledge and resources in engineering, procurement, construction and construction management, project management, safety, and quality. Additionally, the EPC contractor handles all the interfaces between engineering teams, equipment and material vendors, and construction teams, thereby offering improved communication and understanding.

- The EPC contractor mechanism allows for an established price and corresponding certainty to SoCalGas much earlier in the process as all cost and risk considerations are consolidated into one contract.
- An EPC contractor is subject to liquidated damages for failure to complete the project on time in a fully operational and legally compliant manner with guaranteed substantial completion milestones.

Phase	Description	Start Date	Finish Date	Duration[68] (Days)
1	Subsurface Exploration	Oct-2029[69]	Dec-2029	46
2	Existing Project Site Demo	Nov-2029	Dec-2029	11
3	Site Preparation / Rough Grading	Dec-2029	Jan-2030	16
4	Foundations	Jan-2030	Aug-2030	166
5	Trenching / Undergrounds	Jul-2030	Oct-2030	56
6	Equipment, Structural Steel, Building Erection & Piping	Mar-2030	Jan-2031	211
7	Electrical & Instrumentation	Nov-2030	Oct-2031	220
8	Paving	Nov-2031	Dec-2031	40
9	Painting / Insulation	Dec-2031	Jan-2032	41
10	Commissioning, Startup and Testing	Oct-2031	Apr-2032	109
	In-Service Date (NOP) - Milestone	N/A	Apr-2032	0
11	Post-Construction / Site Restoration	Apr-2032	May-2032	20
12	Decommissioning	Apr-2033	July-2033	65

Table 8. Proposed Project Construction Phases

[68] Durations are based on a 5 day/week and 10 hour/day work calendar.

[69] Note that the construction schedule in the PEA notes the prior expected start date of May 1, 2029.

F. Cost Information (GO-177, § VI(A)(6)):

1. An estimate of "fully loaded" costs, including direct and indirect costs, taking into consideration the design of the project, the expected duration of construction, an estimate of the effects of economic inflation and any known engineering difficulties associated with the project, and including preliminary estimates of the costs of financing, construction, and operation, including fuel, maintenance, and dismantling or inactivation after the useful life of the plant, line, or extension

Costs for the Proposed Project are estimated as follows. Estimates are prepared in accordance with AACE Class 3 and include an estimate range of accuracy +30%/-20%.

Cost Category	**Amount**
Direct Cost	$292 MM
Contingency	$56 MM
Escalation	$40 MM
Indirect	$190 MM
Fully Loaded Cost	$578 MM

These costs reflect the current design of the Proposed Project, current estimates for the Proposed Project schedule, SoCalGas's existing knowledge of site conditions, and are subject to change based on additional engineering as well as other items, including inflation and delays outside SoCalGas's control. Moreover, if an alternative project is selected, SoCalGas will have to prepare cost estimates for that project consistent with AACE. In order to proceed with the most accurate cost estimates possible, SoCalGas requests by this Application that, following development of a final detailed engineering design-based construction estimate and prior to the commencement of construction, SoCalGas submit a Tier 2 advice letter to provide an updated estimate of costs for the project that is ordered by the Commission in this proceeding. This aligns with Pub. Util. Code §§ 1005.5(a), which provides that the Commission determine a maximum cost "using an estimate of the anticipated construction cost, taking into consideration

the design of the project, the expected duration of construction, an estimate of the effects of economic inflation, and any known engineering difficulties associated with the project." The Commission has previously authorized a process to update costs via advice letter with respect to SCE's Devers Colorado River Transmission Line Project.[70]

2. A demonstration of the financial impact of the plant, line, or extension construction on the utility's ratepayers, stockholders, and on the cost of the utility's borrowed capital. The cost analyses shall be performed for the projected useful life of the plant, line, or extension, including dismantling or inactivation after the useful life of the plant, line, or extension

By this Application, SoCalGas seeks authority to recover the revenue requirement associated with the Proposed Project in customer rates and further seeks approval of related cost allocation and rate design proposals described herein.

The costs of the Proposed Project are estimated as follows. As described further in the accompanying Prepared Direct Testimony of Sakif Wasif, the costs are fully loaded, encompassing direct costs, overheads, escalation, Allowance for Funds Used During Construction (AFUDC), and property taxes to be capitalized.

	2022 PTD	2023	2024	2025	2026	2027	2028	2029-2033	Total
Capital	$ 46	($ 2)	$ 9	$ 10	$ 19	$ 13	$ 28	$455	$ 578

Table 9. Fully Loaded Costs (In Millions, includes escalation, overheads, AFUDC and capitalized property tax)

The associated revenue requirement is calculated consistent with the Commission's most recently authorized cost of capital (D. 22-12-031) as follows.

[70] *See* D.07-01-040 at 115-116 (OP 12) (authorizing SCE to submit an advice letter to increase or decrease the authorized maximum cost following development of a final detailed engineering design-based construction estimate), D.09-11-007 at 25 (retaining order to file advice letter), and Resolution E-4602 (Feb. 5, 2014) (increasing SCE's authorized cost cap from $545.3 million to $840 million).

	Capital Proportion	Cost Factor	Weighted Cost
Long Term Debt	45.60%	4.07%	1.86%
Preferred Equity	2.40%	6.00%	0.14%
Common Equity	52.00%	9.80%	5.10%
Return on Rate Base			7.10%

Table 10. Currently Authorized Cost of Capital

SoCalGas's rate of return is multiplied by the weighted average rate base to determine the return on investment required for the revenue requirement. Rate base is defined as "the net investment of property, plant, equipment, and other assets that SoCalGas has acquired or constructed to provide utility services to its customers."[71] The annual revenue requirement amount associated with the return of capital is equal to the amount of capital that is depreciated each year and includes the future cost of removal. Consistent with the decision in SoCalGas's 2019 GRC, SoCalGas will use the useful life asset category G-368 Transmission – Compressor Station Equipment, which prescribes 50 years.

As further described in the Prepared Direct Testimony of Sakif Wasif, the revenue requirement includes costs related to the payment of income taxes, property tax, and franchise fees and uncollectibles (FF&U). Federal income tax expense is based on the current corporate federal income tax rate of 21.00 percent. State income tax expense is based on the current California Franchise Tax rate of 8.84 percent. Property tax expense is based on SoCalGas's effective tax rate of 1.428 percent. FF&U rate of 1.656 percent is consistent with those

[71] D.19-09-051 at 607.

supported in the decision in SoCalGas's 2019 GRC.[72] FF&U covers payments made to counties and incorporated cities pursuant to local ordinances granting right-of-way access, as well as uncollectible expenses incurred by SoCalGas.

In accordance with the foregoing, the revenue requirement for the Proposed Project is as follows.

	2032	2033	2034	2035	2036	2037	2038	2039-2083	Total
Revenue Requirement	$ 48	$ 65	$ 68	$ 66	$ 64	$ 63	$ 61	$ 1,348	$ 1,783

Table 11. Forecasted Revenue Requirement Summary (In Millions)

SoCalGas requests that the updated project costs become the authorized project costs once the Tier 2 advice letter is approved. Once the Proposed Project is complete and in service, SoCalGas proposes to file another Tier 2 advice letter to incorporate in Backbone Transportation Service (BTS) rates an updated revenue requirement based on the authorized rate of return at that time and the actual capital additions, not to exceed the project costs authorized by the pre-construction Tier 2 advice letter.

SoCalGas also proposes to establish an interest-bearing memorandum account recorded on SoCalGas's financial statements—the Ventura Compressor Modernization Memorandum Account (VCMMA)—in order to record the incremental revenue requirement above that associated with the authorized maximum costs, if any, for the Proposed Project for review for reasonableness in a standalone application or in SoCalGas's next GRC. The ongoing incremental capital revenue requirement will be tracked in the VCMMA until the capital assets

[72] D.19-09-051 at 641 and AL 5892.

are authorized to be included in a future GRC. This process will allow the Commission to evaluate the reasonableness of any Proposed Project expenditures above authorized levels. The Commission has previously authorized this process to record an incremental revenue requirement and present costs for later review and rate recovery in SoCalGas's Aliso Canyon Turbine Replacement Project.[73] Please see the accompanying Prepared Direct Testimony of Rae Marie Q. Yu.

In the event the Commission orders the No Project alternative, SoCalGas would still request the establishment of the VCMMA in order to record costs associated with developing the Proposed Project (as approved by the Commission in prior GRC decisions) and costs incurred to comply with the Commission's directives, including in this proceeding. This would allow the costs to be considered for reasonableness in the future.

The forecasted revenue requirement identified above was used for purposes of illustrating the rate impact shown below. SoCalGas proposes that the incremental revenue requirements be allocated 100% to our BTS rates because compressor station equipment exists on the backbone transmission system.[74] As noted in the accompanying Prepared Direct Testimony of Julia Leigh Cortez, most end-use customers do not directly pay the BTS rate. Rather, core customers indirectly pay for BTS through the core procurement tariff. Core Aggregation Transport and noncore customers who procure their gas commodity from a marketer or at the Citygate indirectly pay for BTS as it is a likely cost of business for market participants providing gas commodity to them. Thus, the rate impact is illustrated by the alternative method of observing

---

[73] D.13-11-023 at 73 (OP 12) (ordering costs exceeding the authorized maximum cost to be recorded to a memorandum account and reviewed for reasonableness in SoCalGas's general rate case following project completion).

[74] D.20-02-045 at 88 (FOF 9).

bundled rate impacts that include a proxy gas commodity price. Impacts for both SoCalGas and SDG&E are shown in the accompanying Prepared Direct Testimony of Julia Leigh Cortez.

SoCalGas proposes to incorporate these incremental revenue requirements into our BTS rates effective at the first planned rate change after the project goes into service. As detailed more specifically in the accompanying testimony of Julia Leigh Cortez, in 2034, the bill amount for the average residential customer that uses an average of 36 therms per month would increase by $0.27, or 0.4%, to $70.01[75] per month, from a current monthly bill of $69.75.[76]

3. A design and construction management and cost control plan which indicates, to the extent feasible, the contractual and working responsibilities and interrelationships between the utility's management and other major parties involved in the project. This plan shall also include a construction progress information system and specific cost controls

SoCalGas is experienced in designing and managing major gas construction projects rigorous controls, including for cost.

a. Design and Construction Management Plan

SoCalGas will select an EPC contractor through an established bidding process, as described above. A single EPC contractor will have responsibility for the detailed design, material procurement, construction, pre-commissioning, commissioning, testing, and start-up. SoCalGas will provide oversight to confirm that the design follows the requirements of the contract as well as regulatory and local permitting requirements. Roles and responsibilities will

[75] Figures may not add due to rounding.

[76] Pursuant to D.22-08-023, in any initial filing in any proceeding with a revenue increase estimated to exceed one percent of currently authorized revenues systemwide for a single fuel, SoCalGas is required to provide a variety of affordability metrics. Here, the highest incremental annual revenue of $67.8 million in 2034 does not exceed this one percent threshold, and therefore SoCalGas is not required to provide affordability metrics in this case.

be established for completing key project activities based on a traditional RACI matrix which clearly assigns key roles: Responsible, Accountable, Consulted and Informed.

Design oversight is provided by a team of engineers from across various disciplines (i.e., structural, electrical, mechanical, etc.), operations personnel, construction management, and project management. The SoCalGas design stage gate process will be used to check and confirm compliance with the most current regulations and standards and analyze for constructability and safe operation and maintenance.

Once the Proposed Project enters the construction phase, SoCalGas will coordinate onsite oversight, which includes a robust construction management team. The project controls team's scheduler and construction estimator support the project team for evaluation of schedule and cost impacts of potential field changes. The construction management team includes an overall construction manager, safety administrator, quality assurance and quality control manager, site materials manager, inspection manager, field engineering inspectors, certified welding inspectors, and coating inspectors. Inspections will include non-destructive examinations of all welds, coating inspections, structural inspections, and geotechnical inspections. SoCalGas will oversee onsite execution and manage field changes through an established change control process.

Both SoCalGas and contractor teams will use third-party-hosted project management software (i.e., a construction progress information system) to document the design progression, construction, and manage change throughout the Proposed Project life cycle.

b. Cost Control Plan

Successful cost control requires the project team to work closely with the project controls team to ensure all team members possess a strong understanding of the scope of work and the

project requirements. This will lay the groundwork to create the most effective cost control measures for the project. A comprehensive scope definition, detailed project execution plan, detailed control budget, and a proactive robust change management procedure are all vital to a successful cost control plan. SoCalGas will have a dedicated cost control team for the Proposed Project whose approach is to achieve cost control objectives through conscientious planning and execution of the work and continuous monitoring of cost, schedule, changes, and performance. The primary areas of focus for cost control are progress measurement, cost control, change control, and overall project cost forecasting.

The Cost Controls team seeks to achieve three main goals:

1. to provide the project management team with the controls tools and documents that will allow them to accurately forecast, plan, and monitor their work to meet the Proposed Project's cost objectives;
2. to facilitate communication on the Proposed Project to provide the project management team with the visibility necessary to make proactive and informed decisions; and
3. to identify opportunities and timely mitigate challenges so that impacts to cost are realized, minimized, or avoided.

The objective is the early identification of potential opportunities or risks and providing alternative solutions, thereby enabling the project management team to implement corrective action quickly.

The Cost Control team seeks to assist the project team in the following functions.

1. Cost Control: Establish and execute relevant controls to proactively support the establishment and communication of budgets, capturing of actual costs, estimating the

value of uncompleted work for forecasting, monitoring, and close-out of project cost against the budgets. Effective cost controls allow the project management team to make informed cost decisions to meet the Proposed Project's financial goals.

The daily functions within Cost Control monitor the costs of the project, analyze variances from the cost baseline, identify the causes of the variances, prevent incorrect or unapproved charges, manage changes to the baseline when they occur, and continuously forecast the final cost of the project. Collecting project costs involves collecting committed and actual cost information from the financial cost transaction system. Controlling costs also involves managing cost baseline changes, ensuring requested changes are acted on in a timely manner, and informing appropriate stakeholders of approved changes.

2. Progress Control: The Cost Control team will implement tools such as P6, Engineering Progress Measurement System (EPMS), and control documents to provide the information necessary for the engineering teams to realistically plan and accurately assess status as it relates to labor hour budgets, progress, earned value, and performance. They will also provide the project management team with status of project progress and productivity data to assess the overall project performance and trends towards completion.

   Earned value is a commonly used method for measuring project performance. It integrates scope, cost, and schedule measures. The focus is on the accurate measurement of physical performance against the detailed plan. It also provides predictions of the final cost and completion dates. Earned value management requires an integrated cost, schedule, and technical baseline against which to measure

performance. Earned Value Management (EVM) measures "true" cost performance or "what was accomplished for what was spent."

3. Change Control: The Cost Control team will also implement tools and control documents to support change management procedures. Change Control Management (CCM) is the process of managing changes to cost, schedule, and/or scope of work. The goals are to increase traceability of changes and to clearly document reasons for changes. Modifications to deliverables, documents, and baselines are identified, documented, approved or rejected, and incorporated into the cost, schedule, and/or technical baselines as appropriate. CCM exists to promote confidence that no unnecessary changes are made, that all changes are documented, that services are not unnecessarily disrupted, and that resources are efficiently used. The project team will employ the change management process that incorporates the steps of identifying change, validating change, conducting analysis of the impact of the change to scope, schedule, and cost, and finally approving and documenting the change.

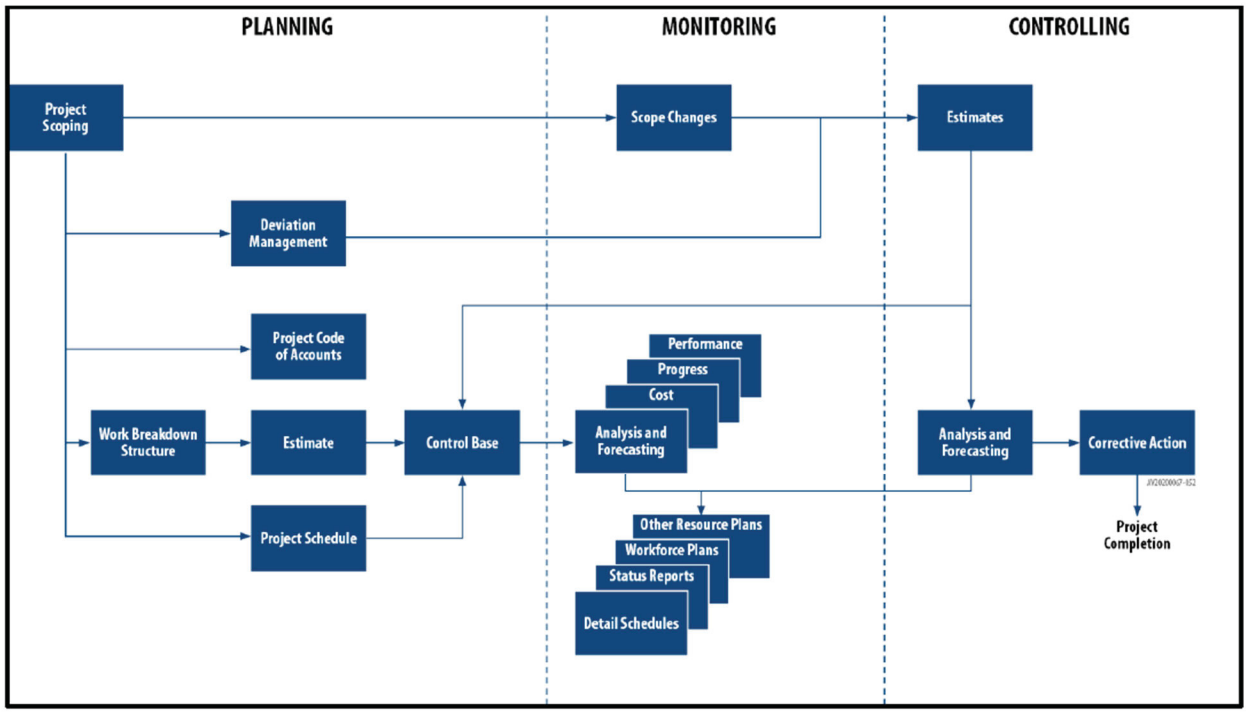

Figure 14. Project Controls Workflow through Project Lifecyle

4. An estimate of the guaranteed cost of capital investment benefit to the utility from the project

SoCalGas intends to finance the cost of the Proposed Project consistent with financing of all other rate base assets, in keeping with its authorized cost of capital and capital structure requirements approved by the Commission. The illustrative revenue requirement included in this Application has a return on rate base of $750 million over the useful life of the asset.

G. Equity Information (GO-177, § VI(A)(7))

1. A detailed statement explaining how the project is consistent with the goals of the Commission's ESJ Action Plan[77]

The Commission's ESJ Action Plan[78] defines "Environmental and Social Justice Communities"[79] (ESJ Communities) as "predominantly communities of color or low-income communities that are underrepresented in the policy setting or decision-making process, subject to a disproportionate impact from one or more environmental hazards, and are likely to experience disparate implementation of environmental regulations and socioeconomic investments in their communities."[80]

The ESJ Action Plan has nine goals. The Proposed Project is relevant to five of them: Goals 1, 2, 4, 5, and 6. They are as follows.

1. Consistently integrate equity and access considerations throughout CPUC regulatory activities.
2. Increase investment in clean energy resources to benefit ESJ communities, especially to improve local air quality and public health.

---

77 The Assigned Commissioner's Scoping Memo and Ruling in A.22-05-015/16 also ordered a separate application for the Proposed Project to review it under consideration of ESJ principles and goals.

78 CPUC, *Environmental & Social Justice Action Plan* (2022), *available at:* https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf.

79 These include: 1) Disadvantaged Communities, defined as census tracts that score in the top 25% of CalEnviroScreen 3.0, along with those that score within the highest 5% of CalEnviroScreen 3.0's Pollution Burden but do not receive an overall CalEnviroScreen score; 2) All Tribal lands 3) Low-income households (Household incomes below 80 percent of the area median income); and 4) Low-income census tracts (Census tracts where aggregated household incomes are less than 80 percent of area or state median income).

80 *See* CPUC, *Environmental & Social Justice Action Plan – About the ESJ Action Plan*, *available at:* https://www.cpuc.ca.gov/ESJactionplan/; *see also*, CPUC Environmental & Social Justice Action Plan (2022).

4. Increase climate resiliency in ESJ communities.

5. Enhance outreach and public participation opportunities for ESJ communities to meaningfully participate in the CPUC's decision-making process and benefit from CPUC programs.

6. Enhance enforcement to ensure safety and consumer protection for all, especially for ESJ communities.

The other ESJ Goals are not applicable to the Proposed Project.[81]

SoCalGas has undertaken a robust outreach plan to pursue social equity and inclusivity, particularly in the community around the Ventura Compressor Station, which has provided local stakeholders with meaningful opportunities for engagement, consistent with ESJ Goals 1 and 5. The Proposed Project is expected to reduce the station's permitted NOx and ROC emissions by approximately 75%, which is consistent with ESJ Goal 2. SoCalGas is focused on helping to take actions to decarbonize operations and support our customers, including supporting ESJ communities in reducing their carbon footprint, which is consistent with ESJ Goal 4. Safety is paramount at SoCalGas, and the Proposed Project would continue safety protection measures for the ESJ Community in the vicinity of the compressor station, which is consistent with Goal 6.

a. ESJ GOAL 1 - Integrate equity and access to CPUC activities and decision-making that will impact the residents of the ESJ community

Through the Commission's regulatory process, the public, intervenors, and the local community were able to participate in the development and authorization of GO 177, which requires this Application for a CPCN and evaluation of the Proposed Project consistent with ESJ

[81] CPUC Environmental & Social Justice Action Plan (2022).

Goals. In turn, this proceeding provides another opportunity for the ESJ Community to participate in the process of approving the Proposed Project.

SoCalGas routinely and regularly engages with the communities in which our infrastructure is located. In addition to our traditional outreach approach of regular and frequent bilingual communication as part of our operations, the Proposed Project outreach has expanded to encompass several methods to encourage public participation, including Community Workshops, Town Hall meetings, and Public Forum meetings. These methods are described in detail in response to ESJ Goal 5 and in the PEA at Appendix G.

SoCalGas has conducted significant outreach since about 2019 concerning the Proposed Project. At the request of the Commission, SoCalGas prepared a feasibility study to evaluate alternative site locations and equipment configurations at the existing compressor station. As part of preparing the feasibility study, SoCalGas solicited community feedback through extensive stakeholder engagement, both in English and Spanish, including seven town hall meetings, six public forums, community canvasing, stakeholder briefings, station tours for local and state officials, and a dedicated project email address and phone number. The local community could provide their feedback on the Proposed Project through any of these methods. Input received from the community and other stakeholders during this time was meaningfully considered by SoCalGas and resulted in SoCalGas's consideration of two alternative site locations (i.e., Avocado and Devil's Canyon Road), and modification of the original project scope of four gas compressors to a hybrid configuration of two gas compressors and two electric compressors.

b. ESJ GOAL 2 - Review how the project could increase investment in clean energy resources to benefit ESJ and address impacts on the community.

One of SoCalGas's sustainability strategy prioritization areas is protecting the climate and improving local air quality.[82] By replacing the aging existing compression equipment with new compression equipment, including two electric compressors, the Proposed Project will support this goal by reducing permitted NOx and ROC emissions, which are ozone precursors, in the local community. Ventura County has not yet attained the ozone standards established by the EPA.

The new natural gas equipment will have lower permitted NOx and ROC emissions than the existing equipment at the Ventura Compressor Station based on more technologically advanced new infrastructure, namely, the use of electric compressors and new gas compressors with state-of-the-art emissions control equipment. Lower permitted NOx and ROC emissions, compared to existing conditions, benefit the surrounding community. In addition, to minimize the NOx and ROC emissions associated with the gas compressors, SoCalGas proposes to operate the electric units on a first-on and last-off basis, meaning that the electric compressors would be operated preferentially. Therefore, the Proposed Project is anticipated to even further reduce NOx and ROC emissions by using the first-on and last-off operating philosophy. A detailed evaluation of air quality benefits is provided in the PEA at Section 5.3.

Moreover, the use of electric compressors would not result in direct GHG emissions, and it is anticipated that indirect GHG emissions will decrease over time as more renewables are

[82] SoCalGas is committed to improve air quality. More than one-third of SoCalGas's fleet vehicles are running on clean fuel, and two of our largest facilities are powered with fuel cells. SoCalGas has also exceeded State requirements to demonstrate 20% reduction in fugitive methane emissions by 2025 and 40% reduction by 2030 from a 2015 baseline: in 2021, SoCalGas achieved a reduction of 37%.

brought online. With the operation of the electric units on a first-on and last-off basis, the Proposed Project is anticipated to reduce direct GHG emissions from the gas compressors. The Proposed Project is thus consistent with an increased investment in clean energy resources.

The Ventura Compressor Station is among one of the many SoCalGas facilities subject to the statewide CARB Oil and Gas Methane Regulation.[83] This regulation includes quarterly third-party leak detection and repair (LDAR) inspections. The purpose of LDAR is to establish GHG standards for specific natural gas facilities and serve the purposes of the AB 32 California Global Warming Solutions Act.[84] The rule is intended to minimize methane leakage associated with natural gas facilities. The robust LDAR process minimizes natural gas leaks from the components in fugitive service, such as valves and flanges. A vapor capture and recovery system will be implemented as a part of the Proposed Project that would prevent 85–100% of gas from being released to the atmosphere during venting that occurs as part of certain maintenance activities.[85] The installation of new fugitive components coupled with the robust LDAR process is anticipated to result in fewer gas leaks and associated GHG emissions as compared to the current compressor station equipment. A detailed evaluation regarding GHG emissions reductions is provided in the PEA at Section 5.8.

---

[83] Cal. Code Regs. Tit. 17 §§ 95665- 95677 (Subarticle 13: Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities, which has been in effect since January 1, 2018).

[84] Assembly Bill 32, as codified in Sections 38500–38599 of the California Health and Safety Code.

[85] Venting is associated with taking the station or a specific compressor unit out of service to perform maintenance and repair, or isolating a pipeline segment within the station to repair an LDAR leak found at a fitting, a valve, or a flange during a quarterly inspection. As described in ASPIRE 2045, SoCalGas seeks to eliminate 100% of vented gas during planned transmission pipeline work by 2030 (excluding emergency repairs).

c. ESJ GOAL 4 - Increase climate resiliency in ESJ communities.

SoCalGas's mission is to build the cleanest, safest, and most innovative energy infrastructure company in America. SoCalGas is committed to advancing California's climate goals through clean, reliable, and innovative energy solutions. SoCalGas's sustainability strategy[86] focuses on the clean energy transition, protecting the environment, increasing clean energy access and affordability, diversity, equity, and inclusion, and achieving world-class safety. SoCalGas's aspiration is an important driver of our operations and strategy and reflects the company's ability to support California with a resilient gas grid through the energy transition to promote a carbon-neutral economy.

As California moves towards net-zero GHG emissions, electric reliability will become even more important for all customers, including ESJ Communities. GHG reductions from vehicle and building electrification and renewable energy are key components for the State's decarbonization vision. The Governor's Executive Order (E.O.) N-79-20 requires a greater proportion of light-duty, medium-duty, and heavy-duty vehicles to become zero-emission vehicles. Increased electrification will simultaneously increase California's reliance on the electric grid and electric demand, and may increase strain on the electric grid with more volatile load shapes.[87] Furthermore, as California works toward decarbonizing the electric sector by integrating a greater portion of intermittent renewable energy resources, the challenge to assess how to provide a reliable electric system grows substantially and could be compounded by increasing demand from electrification. Gas-fueled electricity generators are currently the

---

86 SoCalGas, *Aspire 2045: SoCalGas Sustainability Strategy* (February 2022), *available at:* https://www.socalgas.com/sites/default/files/2022-02/SoCalGas_Sustainability_Strategy_final.pdf.

87 Executive Department State of California, *Executive Order (E.O.) N-79-20* (September 2020), *available at:* https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf

primary source of dispatchable generation in the State and are critical for balancing the system and supporting electric reliability.[88] While additional battery, solar, and wind resources are necessitated by State energy procurement and climate commitments, the unique ability of firm generation to load-follow and provide dispatchable power provides the necessary balancing support that intermittent renewables necessitate as they further integrate into California's energy mix.

As stated in Governor Newsom's Clean Energy Transition Plan released in May 2023, "[n]ewer, clean resources of electricity like solar and wind energy are more variable and more intermittent."[89] The report importantly acknowledges that "***[w]e will not be able to build a reliable, clean electric grid using solar and wind energy alone.***"[90] The Governor's Clean Energy Transition Plan underscores the need for more diverse clean energy resources to meet the unprecedented growth in demand for electricity at all hours of the day and at different times during the year.[91] Projects such as the Proposed Project are critical to providing reliable energy and are in lock-step with State agencies' plans for the future composition of California's integrated energy grid. State agencies recommend, including through the CARB 2022 Scoping Plan,[92] that policymakers retain the existing gas capacity as an available resource. In fact, CARB sees an even greater need for firm, dispatchable electric generation to maintain reliability: the

---

88 California Energy Commission (CEC), *2021 Total System Electric Generation, available at:* https://www.energy.ca.gov/data-reports/energy-almanac/california-electricity-data/2021-total-system-electric-generation

89 State of California, *Building The Electricity Grid Of The Future: California's Clean Energy Transition Plan*, at 6 (emphasis added), *available at:* https://www.gov.ca.gov/wp-content/uploads/2023/05/CAEnergyTransitionPlan.pdf

90 *Id.* at 6 (emphasis added).

91 *Id.*

92 The CARB 2022 Scoping Plan is California's decarbonization strategy roadmap.

Scoping Plan adds 9 GW of hydrogen generation by 2045 to supplement existing firm dispatchable generation.[93]

As described above, the Proposed Project would improve the reliability of gas service on the SoCalGas system. By continuing to serve electric generation facilities and allowing for full utilization of the La Goleta Storage Facility, the Proposed Project would support energy and climate resilience for all individuals with electric service, including ESJ Communities. The growing pressures on the grid from electrification and growing renewable energy could increase the value of gas storage and compression in the near term as key resources to support firm electricity generation, an important resource option to provide and maintain electric reliability.

Additionally, system resilience is gained through redundancy and diversity. As climate change brings on more extreme weather events and wildfires necessitate de-energization of electric transmission lines, the ability of the gas system to be a dual fuel source and provide fuel for gas-fueled electric generation during extreme heat and high load events will be increasingly valuable. Indeed, the record-breaking electric demand day of September 6, 2022 demonstrated the key role that gas-fueled electric generation plays in maintaining electric reliability, with natural gas providing ~50% of peak demand.[94] Maintaining a robust, capable, and resilient energy system is necessary to ensure California's transition to a cleaner economy is not compromised.

---

93 *See* CARB, *2022 Scoping Plan for Achieving Carbon Neutrality* (December 2022) at 201, *available at*: https://ww2.arb.ca.gov/sites/default/files/2023-04/2022-sp.pdf.

94 CAISO, *Demand and Supply Data*, *available at:* https://www.caiso.com/todaysoutlook/Pages/supply.html.

d. ESJ GOAL 5 - Enhance outreach and public participation opportunities for ESJ communities to participate in the CPUC's decision-making process meaningfully and benefit from CPUC programs.

SoCalGas routinely and regularly engages with the communities in which its infrastructure is located. In addition to a traditional outreach approach of regular and frequent bilingual communication as part of our operations, SoCalGas performed a robust and tailored outreach effort to seek community input on the Proposed Project. The Proposed Project outreach has expanded over time to encompass several methods to encourage public participation.

Starting Q1/Q2 2021, SoCalGas began ramping up community outreach activities in English and Spanish, including hosting eight virtual community workshop meetings via Zoom in April/May 2021 (COVID restrictions prohibited in-person meetings at the time), establishing a dedicated project website (available in English and Spanish), running print and digital ads in the local newspapers, and holding meetings with various local community organizations and governments in April and July 2021. Further, SoCalGas's local public affairs representative called, emailed, and met with local elected officials and community leaders throughout 2021.

To meaningfully engage the community, SoCalGas developed a Community Outreach Plan, submitted to the Commission on September 16, 2021. Table 12 below provides an overview of action items specifically targeted to the community in advance of the Town Hall meetings. A total of 44 individuals participated in the Town Hall meetings. All meetings were held in English with Spanish translation.

These outreach efforts and Town Hall meetings resulted in SoCalGas's consideration of two alternative site locations and modification of the project to include a hybrid configuration of two gas and two electric compressors.

As noted above, at the request of the Commission, SoCalGas prepared a feasibility study to evaluate alternative site locations and equipment configurations at the existing compressor station. Prior to publishing the feasibility study, SoCalGas prepared its Public Forum Outreach Plan and submitted it to the Commission on March 3, 2022. Table 12 provides the overview of action items specifically targeted to the community in advance of the Public Forum meetings. A total of 78 individuals participated in the Public Forums. All meetings were held in English with Spanish translation.

Outreach Channel	Community Town Hall Summary Report	Public Forum Summary Report
Invitations Mailed	**4,845 addresses** in the City of Ventura were mailed the invitations twice	**4,803 addresses** in the City of Ventura were mailed invitations twice
Bill Insert	**5,426 customers** in the City of Ventura received the meeting information as a bill insert by October 13, 2021	**5,283 customers** in the City of Ventura received the meeting information as a bill insert by March 25, 2022
Neighborhood Canvassing	On October 2, 2021, SoCalGas canvassed the neighborhood within **2 miles** of the Ventura Compressor Station, approximately **1,000 homes** were visited, an invitation was left on the door/gate of residents who were not home	During the week of March 14, 2022, SoCalGas canvassed the neighborhood within **2 miles** of the Ventura Compressor Station, approximately **1,250 homes** were visited, an invitation was left on the door/gate of residents who were not home
Newspaper ads	• VC Reporter 9/30/2021 and 10/7/2021 editions • Ventura Breeze 9/22/2021 and 10/6/2021 editions • VC Star 10/6/2021 and 10/7/2021 editions • VIDA (Spanish-language) 9/30/2021 and 10/7/2021 editions	• VC Reporter 3/17/2022 through 3/24/2022 editions • Ventura Breeze 3/23/2022 edition • VC Star 3/19/2022 through 3/27/2022 editions • VIDA (Spanish-language) 3/17/2022 through 3/24/2022 editions
Radio ads	• K-LOVE (Spanish language) 9/27-10/10/2021 • VTLA 9/27-10/10/2021	• K-LOVE (Spanish language) 3/14 through 3/27/2022 • VTLA 3/14 through 3/27/2022
Social Media Posts	SoCalGas ran targeted ads inviting residents to our Community Town Halls on Facebook and Twitter (in English and Spanish) from 9/17-9/21/2021, 10/4-10/10/2021 and 10/11-10/15/2021	SoCalGas ran targeted ads inviting residents to our Public Forums on Facebook and Twitter (in English and Spanish) from 3/19 to 3/28/2022

Outreach Channel	Community Town Hall Summary Report	Public Forum Summary Report
Ventura Compressor Station Bi-weekly Newsletters	Newsletters containing meeting information were shared on social media, posted to the web page[95] and mailed to **approximately 2,600 homes and businesses** in the City of Ventura the week of 9/17/2021 and 10/1/2021	Newsletters containing meeting information were shared on social media, posted to the web page, and mailed to **approximately 4,803 homes and businesses** in the City of Ventura the week of 2/28/2022, 3/14/2022 and 3/28/2022

Table 12. Stakeholder Outreach and Engagement

SoCalGas also hosted two in-person community meetings and one virtual community meeting in March 2023 to provide information on the Commission's recently approved GO 177 and its impact on the review process for the Proposed Project.

Public outreach remains a crucial component of the Proposed Project. SoCalGas will continue to keep the community apprised throughout this proceeding and ongoing compressor station operations, including prior to and during project construction, with targeted English/Spanish communications to fully inform and remain transparent. Additional details regarding SoCalGas's extensive public outreach efforts and approach are described in the PEA at Appendix G.

e. ESJ GOAL 6 - Establish safety and consumer protection measures for the ESJ community.

Safety is the foundation of SoCalGas's business and guides all its efforts as a fundamental core value. The Ventura Compressor Station meets all applicable federal and State requirements for safety. For many decades, SoCalGas has safely operated the Ventura Compressor Station. SoCalGas incorporates DOT PHMSA requirements, National Code

[95] SoCalGas, *Ventura Compressor Station*, *available at*: https://www.socalgas.com/stay-safe/pipeline-and-storage-safety/ventura.

Standard requirements, and CPUC General Orders and regulations when engineering, designing, and constructing compressor stations. SoCalGas also cooperates with the CPUC in conducting its activities, responding to customer concerns, promoting customer protections, and conducting audits.

(1) Current Safety Systems

Current safety systems are discussed in Section V.B.3, *supra*, of this Application.

(2) Proposed Project Construction Safety

Construction of the Proposed Project will be contracted to an EPC contractor. Contractors working for SoCalGas are required to comply with all federal, State, and local laws, ordinances, and regulations. The EPC contractor would be required to comply with the SoCalGas Contractor Safety Manual, which requires the development of a Job-Site-Specific Safety Plan (Safety Plan). The Safety Plan sets forth an approach to identify hazards at the individual job location and establish measures to be implemented for the protection of all company and contractor employees and the general public, including the local community. Additional details are provided in the PEA at Section 3.2.1.1.

Safety measures to be undertaken during construction include implementation of the following safety requirements:

- California Occupational Safety and Health Administration (Cal/OSHA) guidelines, California Process Safety Management regulations, and CFR requirements.

- SoCalGas Contractor Safety Program. Contractors will be vetted and qualified with regard to their past safety performance.[96] Poor safety performance by a contractor constitutes sufficient ground for removal of the contractor from the Proposed Project and the project site.
- SoCalGas will provide a full-time Construction Safety Representative at the Proposed Project site for the duration of construction. The Construction Safety Representative will be responsible for day-to-day oversight of the project contractors and coordinate with the SoCalGas Project Manager to promote overall project safety. The Construction Safety Representative will also perform design safety review and chair formal Site Safety Coordination Meetings with project contractors.
- Project site-specific safety training will be required for all personnel working at or visiting the project site.
- Fire Protection and Prevention Plans will be developed for the project site and implemented.
- Construction noise will be monitored and remain in compliance with the applicable City of Ventura noise ordinances.

Additional details are provided in the PEA at Section 3.5.6.

[96] Safety performance will be evaluated using industry standard metrics such as the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) Total Recordable Incident Rate (TRIR); the Days Away, Restricted or Transferred (DART) and resulting data from the online contractor safety management database ISNetworld.

(3) Proposed Project Operational Safety

Design and operation of the modernized compressor station will incorporate best available technology and safety systems. These systems provide redundancy and resiliency when it comes to system safety and reliability. The Proposed Project design incorporates safety features similar to the existing compressor station, which employs a variety of safety systems and practices. SoCalGas will utilize a centralized gas control center staffed 24 hours per day, 7 days per week to continuously monitor the compressor station for safe operation. On-site personnel will also be present during normal working hours to routinely inspect, monitor, and maintain equipment. Operational procedures will also incorporate safety measures. Fire and gas detection with audible and visual alarms will be provided throughout the new compressor building, power distribution center, office, and warehouse buildings. Smoke detectors with audible and visual alarms will be provided in the warehouse and office buildings. The compressor, warehouse, and office buildings will be designed to include an automatic wet fire sprinkler system that is connected to a fire loop. During the design and construction phase, SoCalGas will identify and manage hazards and environmental impacts and will perform design and safety reviews including Hazard and Operability (HAZOP) to identify, evaluate, and control hazards and risks. Furthermore, routine and frequent coordination with first responders will continue to occur to enhance on-site and public safety. Third-party inspections from regulatory agencies are also anticipated to provide additional safety oversight.

2. A summary of outreach to, and engagement undertaken with, local communities (including relevant community-based organizations), likely to be impacted by the proposed project

Community engagement is an essential part of SoCalGas's operations and SoCalGas collaboratively works with the communities and local municipalities where our facilities are

located and with regulatory agencies who have oversight of our facilities. As a long-time community partner in the City of Ventura, SoCalGas has safely and reliably operated the Ventura Compressor Station for many years. SoCalGas has dedicated public affairs managers across our service territory to act as a primary point of contact for the public to share information. Our senior public affairs manager has been in contact with the City of Ventura regularly via phone, email, and virtual meetings about the Proposed Project and other issues since 2019. Further, since 2019, SoCalGas has hosted numerous community workshops, meetings and town halls, engaged with representatives from the Ventura Unified School District, Ventura County Supervisors, representatives from the Ventura Air Pollution Control District, members of the Ventura Chamber of Commerce, elected state representatives, and local first-responders. SoCalGas also has conducted extensive stakeholder outreach and engagement, including by direct mail, advertising, bill notices, newsletters, a dedicated website, and canvassing. These outreach activities were designed to educate and promote access of local communities and the public to accurate information about the Proposed Project and awareness of opportunities to provide constructive input and comment on the Proposed Project.

A comprehensive chronological summary of SoCalGas's outreach activities is provided in the PEA at Appendix G.

H. A PEA, prepared according to the most recent version of the Commission's *Guidelines for Energy Project Applications Requiring CEQA Compliance: Pre-filing and Proponent's Environmental Assessments* (PEA Guidelines) (GO-177, § VI(A)(8))

Please refer to the accompanying PEA.

VI. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Rule 2.1(a)-(c)

In accordance with Rule 2.1(a) – (c) of the Commission's Rules of Practice and Procedure, SoCalGas provides the following information.

1. Statutory Authority

This Application is made pursuant to Sections 451, 454, 491, 701, 1001, 1002, 1002.5, 1003.5, and 1004, *et seq*, of the Public Utilities Code of the State of California, Rules 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, and 3.2 of the Commission's Rules of Practice and Procedure, the Commission's General Order 177, the California Environmental Quality Act of 1970, as amended (California Public Resources Code Section 21000, *et seq.*, the CEQA Guidelines as set forth in Title 14 of the California Code of Regulations, Sections 15000, *et seq.*, and relevant decisions, orders, and resolutions of the Commission.

2. Rule 2.1(a) – Legal Name and Address

SOUTHERN CALIFORNIA GAS COMPANY is a public utility corporation organized and existing under the laws of the State of California. SoCalGas's principal place of business and mailing address is 555 West Fifth Street, Los Angeles, California, 90013.

3. Rule 2.1(b) – Correspondence

All correspondence and communications to SoCalGas regarding this Application should be addressed to:

Avisha Patel
Managing Attorney – Regulatory
555 West 5th Street, Suite 1400
Los Angeles, CA 90013
Telephone: (213) 244-2954
Email: apatel@socalgas.com

Eric Gressler
Senior Counsel - Regulatory
555 West 5th Street, Suite 1400
Los Angeles, CA 90013
Telephone: (213) 244-8507
Email: EGressle@socalgas.com

A copy should also be sent to:

Jeff Salazar
Regulatory Business Manager
SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, Ste. 1400
Los Angeles, CA 90013
Telephone: (213) 244-5916
E-mail: jlsalazar@socalgas.com

4. Rule 2.1(c)

a. Proposed Category of Proceeding

In accordance with Rules 2.1 and 7.1, SoCalGas requests this proceeding be categorized as "ratesetting" within the meaning of Rule 1.3(e) because the costs for the Proposed Project will have a potential future effect on the Applicant's retail rates, and because this Application neither raises questions of policy or rules of general applicability, nor adjudicates any allegations or violations of law. In addition, because this Application raises ancillary issues that do not fall clearly into a single category, Rule 7.1(e)(2) requires that it be categorized as a ratesetting proceeding.

b. Need for Hearings

SoCalGas believes that evidentiary hearings will likely be required. SoCalGas requests that any hearings be scheduled expeditiously, so that the reliability-related measures proposed in the Application can be implemented as quickly as possible, while still allowing for sufficient regulatory review. If the Commission finds hearings are necessary, SoCalGas respectfully requests that such hearings be concluded as soon as practicable. SoCalGas further requests that any hearings required on Purpose and Need, and Project Design pursuant to Pub. Util. Code Sections 1001, 1002, 1003.5 and 1004 et seq., be concluded in advance of the environmental

alternatives consideration, in-depth analysis, and ultimate selection of an environmentally superior alternative pursuant to CEQA (PRC Section 21100 et seq.).

c. Issues to be Considered

The issues to be considered are described in this Application and the accompanying testimony, PEA, and attachments. Based on the PEA, SoCalGas believes the Proposed Project will not have any potentially significant environmental impacts. In addition, SoCalGas has conducted extensive stakeholder outreach regarding the Proposed Project, has responded to data requests from the Commission, and has consulted with Commission staff for more than one year in advance of filing this Application. Therefore, SoCalGas requests that the Commission issue a decision within the time limits prescribed by Cal. Gov. Code § 65920 et seq. (Permit Streamlining Act).

d. Proposed Schedule

This proceeding entails the Commission's: (1) environmental review of the Proposed Project in compliance with the CEQA (PRC Section 21100 et seq.) and GO 177; and (2) issuance of a CPCN (Pub. Util. Code Sections 1001, 1002, 1003.5 and 1004 et seq.) authorizing SoCalGas to construct the Proposed Project. SoCalGas has conducted extensive stakeholder outreach about the Proposed Project and has incorporated certain feedback. SoCalGas has also responded to many Commission-issued data requests for this project. Accordingly, SoCalGas proposes the following schedule:

ACTION	DATE
Application filed	August 24, 2023
Application Appears on Daily Calendar	August 25, 2023
GO 177 Project Notice Compliance (Mailing and Posting)*	Within five (5) days of completion

ACTION	DATE
Application Completeness Determination	September 25, 2023 (30 days after Application filed)
Protests and Responses to Application	September 25, 2023
Replies to Protests	October 5, 2023
Application Determined Complete	November 30, 2023
Prehearing Conference	October 2023
Scoping Memo	January 19, 2024
Public Workshops	January 2024
Notice of Preparation (NOP)	January 2024
Public Scoping Meeting and Comments (Due 30 days from NOP Issuance)	February 2024
Agency Consultations	February 2024
Applicant Testimony	April 2024
Intervenor Testimony	May 17, 2024
Rebuttal Testimony	June 14, 2024
Evidentiary Hearings on Purpose and Need, and Project Design Issues (if necessary)	July 8-10, 2024
Concurrent Opening Briefs Due	August 9, 2024
Concurrent Reply Briefs Due	September 6, 2024
Draft CEQA Document Issued for Public Comment	October 2024
Public Meetings on Draft CEQA Document a	November 2024
Close of Public Comment Period on Draft CEQA Document	December 2024 (45 days after notice of availability)
Final CEQA Document	March 2025
Proposed Decision on (Purpose and Need, Project Design and Final CEQA Document)	April 2025
Comments on Proposed Decision	May 2025
Reply Comments on Proposed Decision	May 2025
Final Decision Issued	May 2025

*In compliance with GO 177, electronic service will be made (1) to the enumerated agencies (V.A.1), (2) to Property Owners within 300 feet (V.A.2), (3) to the general public by advertisement not less than once a week, two weeks successively no later than 10 days after application filing (V.A.3), (4) to the general public by posting a notice on-site and off-site, with a copy to the Public Advisor and Energy Division filed within five (5) days of completion (V.A.4), (5) to the general public by posting to SoCalGas's website (V.A.5), and (6) to the Service List for R.20-01-007 and SoCalGas's most recent GRC, A.22-05-015/016 (V.A.6).

B. Rule 2.2 – Articles of Incorporation

A copy of SoCalGas's Restated Articles of Incorporation, as last amended, presently in effect and certified by the California Secretary of State, was previously filed with the Commission on October 1, 1998, in connection with A.98-10-012, and is incorporated herein by reference.

C. Rule 2.3 – Financial Statement

The most recent Financial Statement for SoCalGas for the three-month period ending March 31, 2023 is attached to this Application as Attachment C.

D. Rule 2.4 - CEQA Compliance

In accordance with Rule 2.4, SoCalGas is submitting a PEA with this Application. SoCalGas separately is tendering an original and copies of its PEA for filing with the Docket Office in accordance with instructions provided by the Docket Office on August 18, 2023.

E. Rule 2.5 – Fees for Recovery of Cost in Preparing Environmental Documents

SoCalGas has separately tendered payment to the CPUC Fiscal office. In accordance with Rule 2.5, SoCalGas is submitting a compliance filing with the CPUC Docket office separate from this Application.

F. Rule 3.1(a) – (i) – Construction or Extension of Facilities

1. Rule 3.1(a) – Description of the Proposed Project

   See PEA at Section 3 - Project Description.

2. Rule 3.1(b) – Competing Utilities

Commission Rule 3.1(b) requires applicants for a CPCN to include in their applications "The names and addresses of all utilities, corporations, persons or other entities, whether publicly or privately operated, with which the proposed construction is likely to compete, and of the cities or counties within which service will be rendered in the exercise of the requested certificate. The Proposed Project will be built entirely within the service territory of SoCalGas, and is not intended to compete with the projects of any other entity.

3. Rule 3.1(c) – Project Maps

Commission Rule 3.1(c) requires an applicant for a CPCN to include in its application "A map of suitable scale showing the location or route of the proposed construction or extension, and its relation to other public utilities, corporations, persons, or entities with which the same is likely to compete." As stated in the previous response, the Proposed Project is not intended to compete with the projects of any other entity. Maps showing the locations under consideration for the Proposed Project are included in the PEA at Section 3.0 Project Description, Figures 3-1. 3-2. 3-3, 3-4, 3-5, 3-6, and 3-8.Rule 3.1(d) – Required Permits. The permits anticipated to be applicable to the Project are outlined in the PEA at Section 2.3.1.

4. Rule 3.1(e) – Public Convenience and Necessity

Commission Rule 3.1(e) requires an applicant for a CPCN to include in its application "Facts showing that public convenience and necessity require, or will require, the proposed construction or extension, and its operation." Please refer to the Applicant's response in Sections III and IV of this Application.

5. Rule 3.1(f) – Estimated Cost

Commission Rule 3.1(f) requires an applicant for a CPCN to include in its application "A statement detailing the estimated cost of the proposed construction or extension and the estimated annual costs, both fixed and operating associated therewith." The current estimated cost for the Proposed Project is found in the Application at Section V.F.1.

6. Rule 3.1(g) – Financial Ability

Commission Rule 3.1(g) requires an applicant for a CPCN to include in its application "Statements or exhibits showing the financial ability of the applicant to render the proposed service together with information regarding the manner in which applicant proposes to finance the cost of the proposed construction or extension." SoCalGas plans to own 100 percent of the assets that will comprise the Proposed Project and those assets will be added to SoCalGas's utility rate base. At present, SoCalGas intends to finance the Proposed Project cost with the same proportions of debt and equity with which all other rate base assets are financed, in keeping with the capital structure approved by the Commission for SoCalGas. Financing would be in the form of retained earnings, available cash, and debt, as necessary. SoCalGas's ability to fund the Proposed Project is demonstrated through its financial statement, which is included with this Application as part of Attachment C.

7. Rule 3.1(h) – Proposed Rates

A statement of proposed rate increases is included in Section V.F.2, and the attached prepared direct testimony of Julia Cortez. Also, details regarding revenue requirement and regulatory accounting associated with the Project are included in Section V.F.2, above and the attached prepared direct testimonies of Sakif Wasif and Rae Marie Q. Yu.

8. Rule 3.1(i) – Proxy Statement

A copy of the most recent proxy statement, dated April 27, 2021, was mailed to the Commission on April 27, 2021, and is incorporated herein by reference.

9. Rule 3.2(a) – (d) – Authority to Increase Rates

In conformance with Rule 3.2 (a) – (d) of the Commission's Rules of Practice and Procedure, SoCalGas provides the following information.

10. Rule 3.2 (a) (1) – Balance Sheet and Income Statement

The most recent updated Balance Sheet and Income Statements for SoCalGas are attached to this Application as Attachment C.

11. Rule 3.2 (a) (2) – Statement of Effective Rates

A statement of all of SoCalGas's presently effective gas rates can be viewed electronically on SoCalGas's website at https://tariff.socalgas.com/regulatory/tariffs/tariffs-toc.shtml. Attachment D to this Application provides the table of contents from SoCalGas's tariffs on file with the Commission.

12. Rule 3.2 (a) (3) – Statement of Proposed Increases

A statement of proposed increases that will result from granting this Application is described in Section V.F.2 and the testimony of witness Julia Leigh Cortez.

13. Rule 3.2 (a) (4) – Description of Property and Equipment

A general description of SoCalGas's property and equipment was previously filed with the Commission on May 3, 2004, in connection with SoCalGas's Application 04-05-008, and is

incorporated herein by reference. A statement of Original Cost and Depreciation Reserve for the as of March 31, 2021, is attached as Attachment E.

14. Rule 3.2 (a) (5) and (6) – Summary of Earnings

The summary of earnings for SoCalGas are included herein as Attachment C.

15. Rule 3.2 (a) (7) – Statement re Tax Depreciation

For financial statement purposes, depreciation of utility plant has been computed on a straight-line remaining life basis at rates based on the estimated useful lives of plant properties. For federal income tax accrual purposes, SoCalGas generally computes depreciation using the straight-line method for tax property additions prior to 1954, and liberalized depreciation, which includes Class Life and Asset Depreciation Range Systems, on tax property additions after 1954 and prior to 1981. For financial reporting and rate-fixing purposes, "flow through accounting" has been adopted for such properties. For tax property additions in years 1981 through 1986, SoCalGas has computed its tax depreciation using the Accelerated Cost Recovery System. For years after 1986, SoCalGas has computed their tax depreciation using the Modified Accelerated Cost Recovery Systems and, since 1982, have normalized the effects of the depreciation differences in accordance with the Economic Recovery Tax Act of 1981 and the Tax Reform Act of 1986, and the Tax Cuts and Jobs Act of 2017.

16. Rule 3.2 (a) (8) – Proxy Statement

A copy of the most recent proxy statement, dated April 27, 2021, was mailed to the Commission on April 27, 2021, and is incorporated herein by reference.

17. Rule 3.2 (a) (10) – Statement re Pass Through to Customers

This Application both reallocates costs among customer classes as well as passes through to customers of SoCalGas their respective costs for the services provided as authorized by the Commission.

18. Rule 3.2(b) - (d) – Service and Notice

Applicants are serving this Application and three chapters of testimony (via filed and served notice of availability) on all parties to R.20-10-007 (Long Term Gas Planning) and A.22-05-015 and A.22-05-016 (2024 General Rate Case). Within 20 days of filing, SoCalGas will mail notice of this application to the State of California and to cities and counties served by SoCalGas, and SoCalGas will post the notice in its offices and publish the notice in newspapers of general circulation in each county in its service territory. In addition, SoCalGas will, within 45 days after filing this Application, include notices with the regular bills mailed to all customers affected by the proposed rate changes.

VII. SERVICE LIST OF APPENDICES AND ATTACHMENTS

R.20-01-007 (Long Term Gas Planning) and A.22-05-015/016 (cons.) (TY 2024 General Rate Case).

VIII. LIST OF ATTACHMENTS

Attachment A – VCAPCD Position Statement

Attachment B – DTSC Position Statement

Attachment C – Financial Statement

Attachment D – Statement of Effective Rates

Attachment E – Cost and Depreciation

IX. CONCLUSION

For the foregoing reasons, it is appropriate to review the Proposed Project and accompanying information, issue a Certificate of Public Convenience and Necessity, authorize the related revenue requirement, and approve related cost allocation and rate design proposals.

By: /s/ *Avisha A. Patel*

AVISHA A. PATEL
ERIC A. GRESSLER

Attorneys for:
SOUTHERN CALIFORNIA GAS COMPANY
555 West 5th Street, GT14E7
Los Angeles, CA 90013
Tel: (213) 244-8507
Fax: (213) 629-9620
Email: apatel@socalgas.com
E-mail: egressle@socalgas.com

August 24, 2023

OFFICER VERIFICATION

I, Devin Zornizer, declare the following:

I am an officer of Southern California Gas Company and am authorized to make this verification on behalf of Southern California Gas Company. I am informed and believe that the matters stated in the foregoing **APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE VENTURA COMPRESSOR MODERNIZATION PROJECT** are true to my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on August 24, 2023 at Los Angeles, California.

Devin Zornizer
Southern California Gas Company
Vice President of Construction

ATTACHMENT A
(VCAPCD POSITION STATEMENT)

VENTURA COUNTY
AIR POLLUTION CONTROL DISTRICT

Memorandum

TO: Interested Parties DATE: March 15, 2023

FROM: John Harader
VCAPCD Supervising Air Quality Engineer

SUBJECT: Ventura Compression Modernization Project VCAPCD Position Statement

Southern California Gas Company (SoCalGas) has requested a position statement from the Ventura County Air Pollution Control District (VCAPCD) regarding the proposed SoCalGas Ventura Compressor Station Modernization Project.

The project includes the replacement of three (3) existing 1,100 BHP natural gas fired internal combustion engine driven gas compressors with two new natural gas engine driven gas compressors and two new electric-driven compressors. This is a revision to the project in which the three 1,100 BHP engines were proposed to be replaced by four 1900 BHP natural gas fired engines. An Authority to Construct application was submitted for that project; and was deemed complete by the District on October 28, 2020; but was not issued.

The three existing 1,100 BHP natural gas fired engines are permitted on VCAPCD Permit to Operate No. 00061. The permit includes NOx, ROC, and CO emission limits and requirements for the engines pursuant to District and federal regulations including District Rule 74.9, "Stationary Internal Combustion Engines," and the 40 CFR Part 63, Subpart ZZZZ, "National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE NESHAP).

District Rule 10 requires that a VCAPCD Authority to Construct be obtained prior to the replacement and installation of the new natural gas fired engines. An Authority to Construct application must be submitted that demonstrates compliance with all applicable District, state, and federal rules. District Rule 26, "New Source Review," requires that new or replacement emissions units meet Best Available Control Technology (BACT) and that emission increases from the new or replacement emissions units be offset if the permitted emissions exceed the offset thresholds. BACT will require that the new engines be equipped with most stringent and achieved in practice emission controls and be subject to most stringent and achieved in practice NOx and ROC emission limits. Also, since the facility is located within 1,000 feet of a school, the processing of the Authority to Construct application will most likely require the distribution of a school / public notice with a 30-day comment period pursuant to California Health & Safety Code Section 42301.6.

To date, an Authority to Construct for the revised Ventura Compressor Station Modernization Project has not been submitted. The make, model, and size (horsepower) of the two new replacement engines is unknown to the District at this time.

It is the District's expectation that SoCalGas will submit an Authority to Construct application for the revised Ventura Compressor Station Modernization Project. An Authority Construct will be issued by the District within the guidelines and timelines of District Rule 13, "Actions Applications for an Authority to Construct," provided that application demonstrates compliance with all applicable rules and regulations, including the BACT and offset requirements of Rule 26, as described above.

Q:\PRISM\PRISMFileRoom\PermitFiles\00061\Engineering\Correspondence\So Cal Gas Modernization Project Position Statement.docx

ATTACHMENT B
(DTSC POSITION STATEMENT)

From: Diaz, Jose@DTSC
To: McKean, Alana R
Cc: Imgrund, Heather E; Hoffman, Laura
Subject: [EXTERNAL] RE: Ventura Compressor Modernization Project Position Statement Request
Date: Tuesday, March 21, 2023 8:27:25 AM
Attachments: image003.png
image004.png
image005.png
image006.gif
image007.png
image008.jpg
image009.jpg

Alana,
I apologize for my lateness, but as I indicated yesterday, the Department of Toxic Substances Control does not have any concerns with the proposed project. Thank you.

Jose F. Diaz
Unit Chief
Site Mitigation & Restoration Program/Chatsworth Office
818.717.6614 office
818.968.1885 mobile
Jose.Diaz@dtsc.ca.gov
Department of Toxic Substances Control
9211 Oakdale Avenue, Chatsworth, California 91311
California Environmental Protection Agency

[facebook.com] [twitter.com] [youtube.com] [linkedin.com]

ATTACHMENT C
(FINANCIAL STATEMENT)

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2023

	1. UTILITY PLANT	2023
101	UTILITY PLANT IN SERVICE	$24,017,393,935
102	UTILITY PLANT PURCHASED OR SOLD	-
105	PLANT HELD FOR FUTURE USE	-
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	1,536,808,867
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(7,506,655,041)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(165,177,173)
117	GAS STORED-UNDERGROUND	61,422,045
	TOTAL NET UTILITY PLANT	**17,943,792,633**

	2. OTHER PROPERTY AND INVESTMENTS	
121	NONUTILITY PROPERTY	49,818,825
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY	(16,795,592)
123	INVESTMENTS IN SUBSIDIARY COMPANIES	-
	NONCURRENT PORTION OF ALLOWANCES	-
124	OTHER INVESTMENTS	1
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	250,000
	TOTAL OTHER PROPERTY AND INVESTMENTS	**33,273,234**

Data from SPL as of June 13, 2023

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2023

3. CURRENT AND ACCRUED ASSETS

		2023
131	CASH	7,326,358
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	124,273
136	TEMPORARY CASH INVESTMENTS	-
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	1,598,425,372
143	OTHER ACCOUNTS RECEIVABLE	93,833,722
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(151,627,325)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	-
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	92,420,168
151	FUEL STOCK	-
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	114,296,839
155	MERCHANDISE	-
156	OTHER MATERIALS AND SUPPLIES	-
158	GHG ALLOWANCE	743,947,174
	(LESS) NONCURRENT PORTION OF ALLOWANCES	-
163	STORES EXPENSE UNDISTRIBUTED	1,821,772
164	GAS STORED	23,946,249
165	PREPAYMENTS	31,043,851
171	INTEREST AND DIVIDENDS RECEIVABLE	826,038
173	ACCRUED UTILITY REVENUES	-
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	17,292,736
175	DERIVATIVE INSTRUMENT ASSETS	12,588,875
	TOTAL CURRENT AND ACCRUED ASSETS	**2,586,266,102**

4. DEFERRED DEBITS

181	UNAMORTIZED DEBT EXPENSE	35,783,469
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	3,806,655,613
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	311,013
184	CLEARING ACCOUNTS	(1,954,934)
185	TEMPORARY FACILITIES	-
186	MISCELLANEOUS DEFERRED DEBITS	515,424,152
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	100,386
190	ACCUMULATED DEFERRED INCOME TAXES	727,498,767
191	UNRECOVERED PURCHASED GAS COSTS	-
	TOTAL DEFERRED DEBITS	**5,083,818,466**
	TOTAL ASSETS AND OTHER DEBITS	**$ 25,647,150,435**

Data from SPL as of June 13, 2023

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2023

5. PROPRIETARY CAPITAL

		2023
201	COMMON STOCK ISSUED	(834,888,907)
204	PREFERRED STOCK ISSUED	(21,551,075)
207	PREMIUM ON CAPITAL STOCK	-
208	OTHER PAID-IN CAPITAL	-
210	GAIN ON RETIRED CAPITAL STOCK	(9,722)
211	MISCELLANEOUS PAID-IN CAPITAL	(1,481,306,680)
214	CAPITAL STOCK EXPENSE	143,261
216	UNAPPROPRIATED RETAINED EARNINGS	(4,742,917,946)
219	ACCUMULATED OTHER COMPREHENSIVE INCOME	22,870,791
	TOTAL PROPRIETARY CAPITAL	**(7,057,660,278)**

6. LONG-TERM DEBT

221	BONDS	(5,050,000,001)
224	OTHER LONG-TERM DEBT	(1,009,338,770)
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	11,187,389
	TOTAL LONG-TERM DEBT	**(6,048,151,382)**

7. OTHER NONCURRENT LIABILITIES

227	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	(104,320,297)
228.2	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	(105,956,005)
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	(275,656,265)
228.4	ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	-
245	NONCURRENT DERIVATIVE INSTRUMENT LIABILITIES	-
230	ASSET RETIREMENT OBLIGATIONS	(2,767,949,730)
	TOTAL OTHER NONCURRENT LIABILITIES	**(3,253,882,297)**

Data from SPL as of June 13, 2023

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2023

8. CURRENT AND ACCRUED LIABILITES

		2023
231	NOTES PAYABLE	(1,022,847,257)
232	ACCOUNTS PAYABLE	(1,012,645,569)
233	NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	(52,731,391)
235	CUSTOMER DEPOSITS	(28,565,419)
236	TAXES ACCRUED	36,826,972
237	INTEREST ACCRUED	(61,258,932)
238	DIVIDENDS DECLARED	(323,266)
241	TAX COLLECTIONS PAYABLE	(68,061,718)
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	(398,753,050)
243	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	(29,965,067)
244	DERIVATIVE INSTRUMENT LIABILITIES	(38,089,611)
245	DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	
	TOTAL CURRENT AND ACCRUED LIABILITIES	**(2,676,414,308)**

9. DEFERRED CREDITS

252	CUSTOMER ADVANCES FOR CONSTRUCTION	(143,755,064)
253	OTHER DEFERRED CREDITS	(720,268,849)
254	OTHER REGULATORY LIABILITIES	(3,556,487,118)
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(5,445,500)
257	UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	-
282	ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	(1,618,149,557)
283	ACCUMULATED DEFERRED INCOME TAXES - OTHER	(566,936,082)
	TOTAL DEFERRED CREDITS	**(6,611,042,170)**
	TOTAL LIABILITIES AND OTHER CREDITS	**$ (25,647,150,435)**

Data from SPL as of June 13, 2023

SOUTHERN CALIFORNIA GAS COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2023

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		3,792,454,522
401	OPERATING EXPENSES	2,924,150,912	
402	MAINTENANCE EXPENSES	99,759,815	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	207,735,418	
408.1	TAXES OTHER THAN INCOME TAXES	49,372,807	
409.1	INCOME TAXES	9,347,113	
410.1	PROVISION FOR DEFERRED INCOME TAXES	117,620,649	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(30,197,250)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(395,538)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	-	
411.7	LOSS FROM DISPOSITION OF UTILITY PLANT	-	
	TOTAL OPERATING REVENUE DEDUCTIONS		3,377,393,926
	NET OPERATING INCOME		415,060,596

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK	-	
417	REVENUES FROM NONUTILITY OPERATIONS	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(2,378,269)	
418	NONOPERATING RENTAL INCOME	497,784	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	11,351,625	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	10,348,127	
421	MISCELLANEOUS NONOPERATING INCOME	(461,525)	
421.1	GAIN ON DISPOSITION OF PROPERTY	-	
	TOTAL OTHER INCOME	19,357,742	
421.2	LOSS ON DISPOSITION OF PROPERTY	-	
425	MISCELLANEOUS AMORTIZATION	-	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	(7,542,479)	
		(7,542,479)	
408.2	TAXES OTHER THAN INCOME TAXES	(71,642)	
409.2	INCOME TAXES	704,226	
410.2	PROVISION FOR DEFERRED INCOME TAXES	(53,823,242)	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	55,134,625	
420	INVESTMENT TAX CREDITS	-	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	**1,943,967**	
	TOTAL OTHER INCOME AND DEDUCTIONS		**13,759,230**
	INCOME BEFORE INTEREST CHARGES		428,819,826
	NET INTEREST CHARGES*		68,957,965
	NET INCOME		**$359,861,861**

**NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION. ($10,348,127)*

Data from SPL as of June 13, 2023

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	4,383,379,351
NET INCOME (FROM PRECEDING PAGE)	359,861,861
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	(323,266)
OTHER RETAINED EARNINGS ADJUSTMENT	-
RETAINED EARNINGS AT END OF PERIOD	4,742,917,946

SOUTHERN CALIFORNIA GAS COMPANY
SUMMARY OF EARNINGS
THREE MONTHS ENDED MARCH 31, 2023
(DOLLARS IN MILLIONS)

Line No.	Item	Amount
1	Operating Revenue	$3,792
2	Operating Expenses	3,377
3	Net Operating Income	$415
4	Weighted Average Rate Base	$11,253
5	Rate of Return*	7.10%

*Authorized Cost of Capital

SOUTHERN CALIFORNIA GAS COMPANY
FINANCIAL STATEMENT
MARCH 31, 2023

(a) Amounts and Kinds of Stock Authorized:

Preferred Stock		160,000	shares	Par Value $4,000,000
Preferred Stock		840,000	shares	Par Value $21,000,000
Preferred Stock		5,000,000	shares	Without Par Value
Preferred Stock		5,000,000	shares	Without Par Value
Common Stock		100,000,000	shares	Without Par Value

Amounts and Kinds of Stock Outstanding:

PREFERRED STOCK				
	6.0%	79,011	shares	1,975,275
	6.0%	783,032	shares	19,575,800
COMMON STOCK		91,300,000	shares	834,888,907

(b) Terms of Preferred Stock:
Full information as to this item is given in connection with Application No. 96-09-046, to which references are hereby made.

(c) Brief Description of Mortgage:
Full information as to this item is given in Application Nos. 03-07-008, 06-07-012, 09-09-046, 13-05-002, 16-01-034 and 21-01-009 to which reference is hereby made.

(d) Number and Amount of Bonds Authorized and Issued:

First Mortgage Bonds:	Nominal Date of Issue	Par Value Authorized and Issued	Par Value Outstanding	Interest Paid in 2022
5.75% Series KK, due 2035	11-18-05	250,000,000	250,000,000	14,375,000
5.125% Series MM, due 2040	11-18-10	300,000,000	300,000,000	15,375,000
3.750% Series NN, due 2042	09-21-12	350,000,000	350,000,000	13,125,000
4.450% Series OO, due 2044	03-13-14	250,000,000	250,000,000	11,125,000
3.150% Series PP, due 2024	09-11-14	500,000,000	500,000,000	15,750,000
3.200% Series RR, due 2025	06-18-15	350,000,000	350,000,000	11,200,000
2.600% Series TT, due 2026	06-03-16	500,000,000	500,000,000	13,000,000
4.125% Series UU, due 2048	05-10-18	400,000,000	400,000,000	16,500,000
4.300% Series VV, due 2049	09-24-18	550,000,000	550,000,000	23,650,000
3.950% Series WW, due 2050	06-04-19	350,000,000	350,000,000	13,825,000
2.550% Series XX, due 2030	01-06-20	650,000,000	650,000,000	16,575,000
6.350% Series YY, due 2052	11-14-22	600,000,001	600,000,001	0
Other Long-Term Debt				
1.875% SFr. Foreign Interest Payment Securities	05-14-16	4,338,770	4,338,770	81,351
5.67% Medium-Term Note, due 2028	01-15-03	5,000,000	5,000,000	283,500
2.959% Floating Rate Note, due 2023	09-14-20	300,000,000	300,000,000	5,646,264
2.950% Senior Note, due 2027	03-08-22	700,000,000	700,000,000	12,103,194

Other Indebtedness:	Date of Issue	Date of Maturity	Interest Rate	Outstanding	Interest Paid 2023
Commercial Paper & ST Bank Loans	Various	Various	Various	223,005,000	$1,779,535

Amounts and Rates of Dividends Declared:
The amounts and rates of dividends during the past five fiscal years are as follows:

Preferred Stock	Shares Outstanding @ 03-31-23	Dividends Declared 2018	2019	2020	2021	2022	2023
6.0%	79,011	$118,517	$118,517	$118,516	$118,516	$118,516	$29,629
6.0%	783,032	1,174,548	1,174,548	1,174,548	1,174,548	1,174,548	293,637
	862,043	$1,293,065	$1,293,065	$1,293,064	$1,293,064	$1,293,064	$323,266

Common Stock							
Amount	$0	$50,000,000	$150,000,000	$100,000,000	$75,000,000	$0	[1]

A balance sheet and a statement of income and retained earnings of Applicant for the three months ended March 31, 2023.

[1] Southern California Gas Company dividend to parent company, Sempra Energy.

ATTACHMENT C
Southern California Gas Company Total Regulatory Capitalization
MARCH 31, 2023
($ Millions)

No.	Interest %	Bond	Maturity	Principal ($ millions)
1	5.750%	Series KK	11/15/35	250
2	5.125%	Series MM	11/15/40	300
3	3.750%	Series NN	09/15/42	350
4	4.450%	Series OO	03/15/44	250
5	3.150%	Series PP	09/15/24	500
6	3.200%	Series RR	06/15/25	350
7	2.600%	Series TT	06/15/26	500
8	4.125%	Series UU	06/01/48	400
9	4.300%	Series VV	01/15/49	550
10	3.950%	Series WW	02/15/50	350
11	2.550%	Series XX	02/01/30	650
12	6.350%	Series YY	11/15/20	600
Total First Mortgage Bonds				**5,050**
Other Long-Term Debt				
13	1.875%	Swiss Francs	05/14/26	4.3
14	5.670%	Medium Term Note	01/18/28	5.0
15	4.481%	Floating Rate Note	09/14/23	300.0
16	2.950%	Senior Note	04/15/27	700.0
Total Other Long-Term Debt				**1,009.3**
Long-Term Debt before Unamortized premiums, issue expenses & loss on reacquired debt net of tax				**6,059.3**
		Unamortized discount less premium		(11.1)
		Unamortized issued expense		(35.7)
		Unamortized loss on reacquired debt net of tax		(0.2)
Total Unamortized Debt				**(47.0)**
Long-Term Debt net of Unamortized premuims, issue expenses & loss on reacquired debt net of tax				**6,012.3**
Equity Capital				
Common Stock Equity				7,036.0
Preferred Stock Equity				21.6
Total Equity				**7,057.6**
Total Regulatory Capitalization				**13,069.9**

Source:

\\corp.se.sempra.com\corpdata\SoCalGas_Regulatory_Accounts\Filings\FERC Form 2 Filing\2023\Quarterly Financials\Utility Accounting Reports\Q1 2023 SOCAL CPUC.XLSX

ATTACHMENT D
(STATEMENT OF EFFECTIVE RATES)

TABLE OF CONTENTS

SERVICE AREA MAPS AND DESCRIPTIONS

TABLE OF CONTENTS

(Continued)

TABLE OF CONTENTS

(Continued)

T

(Continued)

TABLE OF CONTENTS

(Continued)

TABLE OF CONTENTS

TABLE OF CONTENTS

RULES

(Continued)

TABLE OF CONTENTS

(Continued)

RULES (continued)

(Continued)

TABLE OF CONTENTS

(Continued)

RULES (continued)

TABLE OF CONTENTS

SAMPLE FORMS

Applications

Receipts and Notices

Surety or Guarantee for Account

(Continued)

TABLE OF CONTENTS

(Continued)

SAMPLE FORMS (Continued)

(Continued)

TABLE OF CONTENTS

(Continued)

SAMPLE FORMS (continued)

(Continued)

TABLE OF CONTENTS

(Continued)

SAMPLE FORMS (continued)

Contracts (continued)

(Continued)

TABLE OF CONTENTS

(Continued)

SAMPLE FORMS (Continued)

Contracts (continued)

Bill Forms

Collection Notices

(Continued)

TABLE OF CONTENTS

(Continued)

SAMPLE FORMS (Continued)

Customer Services Notices

Miscellaneous Notices

TABLE OF CONTENTS

The following listed sheets contain all effective Schedules of Rates and Rules affecting service and information relating thereto in effect on the date indicated thereon.

(Continued)

TABLE OF CONTENTS

(Continued)

PRELIMINARY STATEMENT (Continued)

(Continued)

TABLE OF CONTENTS

(Continued)

PRELIMINARY STATEMENT (Continued)

(Continued)

TABLE OF CONTENTS

(Continued)

PRELIMINARY STATEMENT (Continued)

(Continued)

TABLE OF CONTENTS

(Continued)

PRELIMINARY STATEMENT (Continued)

ATTACHMENT E
(COST AND DEPRECIATION)

SoCalGas
Plant Investment and Accumulated Depreciation
As of March 31, 2023

ACCOUNT NUMBER	DESCRIPTION	ORIGINAL COSTS	ACCUMULATED RESERVE	NET BOOK VALUE
INTANGIBLE ASSETS				
301	Organization	76,457	-	76,457
302	Franchise and Consents	587,060	-	587,060
303	Cloud Compute	30,874,452	(2,470,529)	28,403,923
	Total Intangible Assets	31,537,969	(2,470,529)	29,067,440
PRODUCTION:				
325	Other Land Rights	-	-	-
330	Prd Gas Wells Const	-	-	-
331	Prd Gas Wells Eqp	-	-	-
332	Field Lines	-	-	-
334	FldMeas&RegStnEquip	-	-	-
336	Prf Eqpt	-	-	-
	Total Production	-	-	-
UNDERGROUND STORAGE:				
350	Land	4,539,484	-	4,539,484
350SR	Storage Rights	19,069,515	(17,634,213)	1,435,302
350RW	Rights-of-Way	25,354	(19,349)	6,006
351	Structures and Improvements	161,769,785	(39,818,568)	121,951,217
352	Wells	655,477,742	194,555,168	850,032,909
353	Lines	218,577,422	(53,008,449)	165,568,974
354	Compressor Station and Equipment	483,636,868	(106,186,210)	377,450,658
355	Measuring And Regulator Equipment	17,995,636	(4,913,755)	13,081,881
356	Purification Equipment	173,092,582	(98,390,614)	74,701,968
357	Other Equipment	114,881,486	(35,344,178)	79,537,308
	Total Underground Storage	1,849,065,874	(160,760,167)	1,688,305,707
TRANSMISSION PLANT- OTHER:				
365	Land	9,595,757	-	9,595,757
365LRTS	Land Rights	129,194,887	(25,009,730)	104,185,157
366	Structures and Improvements	167,729,958	(26,244,464)	141,485,494
367	Mains	3,315,953,725	(840,678,180)	2,475,275,545
368	Compressor Station and Equipment	562,429,416	(116,997,771)	445,431,645
369	Measuring And Regulator Equipment	376,364,203	(57,991,823)	318,372,380
370	Communication Equipment	89,721,382	(24,256,619)	65,464,763
371	Other Equipment	23,752,707	(5,656,333)	18,096,374
	Total Transmission Plant	4,674,742,036	(1,096,834,921)	3,577,907,115
DISTRIBUTION PLANT:				
374	Land	29,737,007	-	29,737,007
374LRTS	Land Rights	3,432,119	(2,308,195)	1,123,923
375	Structures and Improvements	416,928,182	(102,990,800)	313,937,382
376	Mains	6,561,367,679	(3,003,595,428)	3,557,772,251
378	Measuring And Regulator Equipment	169,651,835	(95,181,531)	74,470,303

SoCalGas
Plant Investment and Accumulated Depreciation
As of March 31, 2023

ACCOUNT NUMBER	DESCRIPTION	ORIGINAL COSTS	ACCUMULATED RESERVE	NET BOOK VALUE
380	Services	3,914,233,273	(2,365,995,970)	1,548,237,303
381	Meters	1,018,327,546	(364,444,717)	653,882,829
382	Meter Installation	683,278,931	(257,007,312)	426,271,619
383	House Regulators	197,861,092	(90,863,261)	106,997,831
387	Other Equipment	77,512,758	(33,661,498)	43,851,260
	Total Distribution Plant	13,072,330,421	(6,316,048,711)	6,756,281,710
GENERAL PLANT:				
389	Land	1,342,839	-	1,342,839
389LRTS	Land Rights	74,300	(46,242)	28,058
390	Structures and Improvements	283,381,449	(205,530,093)	77,851,356
391	Office Furniture and Equipment	1,978,011,851	(1,383,434,735)	594,577,116
392	Transportation Equipment	143,785	(77,929)	65,856
393	Stores Equipment	186,007	(85,161)	100,846
394	Shop and Garage Equipment	159,179,373	(40,220,880)	118,958,493
395	Laboratory Equipment	10,194,471	(2,211,809)	7,982,662
396	Construction Equipment	-	2,457	2,457
397	Communication Equipments	265,199,839	(110,021,997)	155,177,842
398	Miscellaneous Equipment	1,783,594	(366,696)	1,416,898
	Total General Plant	2,699,497,508	(1,741,993,086)	957,504,422
	Subtotal	**22,327,173,808**	**(9,318,107,413)**	**13,009,066,395**
121	Non-Utility Plant	32,335,315	(14,402,196)	17,933,119
117GSUNC	Gas Stored Underground - NonCurrent	61,422,045	-	61,422,045
GCL	GCT - Capital Lease	-	-	-
	Total Other - Non-Utility Plant	93,757,360	(14,402,196)	79,355,164
	Total-Reconciliation to Asset History Totals	22,420,931,168	(9,332,509,609)	13,088,421,559
	Mar 2023 Asset 1020 Report	22,420,931,168	(9,332,509,609)	13,088,421,559
	Difference	(0)	(0)	(0)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

In The Matter of the Application of Southern California Gas Company (U 904 G) for a Certificate of Public Convenience and Necessity for the Ventura Compressor Modernization Project	A.23-08-XXX (Filed August 24, 2023)

Proponent's Environmental Assessment (PEA) for the Ventura Compressor Station Modernization Project

[PUBLIC VERSION]

PROPONENT'S ENVIRONMENTAL ASSESSMENT (PEA)
EXCEEDS THE SIZE LIMITATION OF RULE 1.13(b)(ii)
AND IS BEING SUBMITTED IN DISC FORM ON ARCHIVAL-GRADE DVD