

DOCKETED

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Additional submitted attachment is included below.

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I am a resident of the SoCalGas service district and an associate professor of geological sciences at California State University Northridge. Please accept my comments regarding the Winter Reliability Action Plan. My suggestions are shown in red.

Comment 1: P.1, Executive Summary

Rationale: In order to encapsulate the Executive Summary for the general public, I recommend a box at the top outlining the major conclusions of the report. I did my best to copy and paste my interpretation of the key findings in the suggestion below.

Recommend: Add the a box at the beginning of the Executive Summary that reads something like:

Customers at homes and small businesses do not appear to be at risk of losing electricity or natural gas even for the 1-in-35 year coldest day unless there are multiple failures in the system.

- On a 1-in-10 year coldest day, natural gas will have to be curtailed below typical historical demand.
- Electric utilities can absorb this curtailment under most normal conditions.
- There are still risks from catastrophic events.
- Ten specific measures by regulators, utilities, and consumers can be implemented to reduce the risk of curtailment of gas and electricity.

Comment 2, p. 11. Peak Demand?

The forecast peak demand is 5.077 Bcf. How does this forecast compare to the peak demand over the last 10 years? Natural gas usage has been declining, so why are we using this forecast value? An actual demand value number should be used based on the peak usage for the last 10 years and forecast ahead based on trends in demand, perhaps factoring in the expected weather patterns expected for a weak or neutral La Niña, which means typical or slightly warmer than usual weather patterns. That may alter all the numbers and conclusions throughout the document.

Comment 3, p. 19

As with the Summer Reliability report's lack of independent oversight, I have concerns over the statement: "*Preliminary indications are that the threshold those customers feel they can absorb may be zero.*" The California Energy Commission provides oversight on behalf of the public.

This line implies that the CEC is shirking its oversight capacity and letting refiners write their own rules. **This line should be removed from the report.**

Further, the report threatens dire economic implications if refineries curtail for a few hours or even days (“*The shutdown of refinery operations can result in refined fuel shortages and price increases with significant negative economic impacts.*”). Where is the economic modeling or evidence of this? While there was a slight increase in prices a week after the 2015 Torrance refinery fire, the prices went up only a few percent more than other US cities I clicked on in the EIA website¹. **This line should be removed from the report.**

	Week before Torrance explosion (ending 2/16/2015)	Week after Torrance explosion (ending 2/23/2016)
Los Angeles	2.91	3.13 (+7.6%)
Denver	2.12	2.21 (+4.2%)
Minnesota	2.23	2.31 (+3.5%)

Comment 4, p. 20 Demand Response

Current language: “The CPUC should order SoCalGas to implement a DR program that rewards large natural gas customers for reducing their demand, when so requested, by December 1, 2016.”

Proposed addition: “The CPUC should order SoCalGas to implement DR programs that rewards **core residential and** large natural gas customers for reducing their demand, when so requested, by December 1, 2016.”

Rationale: LADWP recently initiated an A/C tuneup and wi-fi enabled smart programmable thermostat program for core residential customers. SoCalGas should initiate such a program for furnace tune-ups this fall. LADWP installed the NEST thermostat which supports “Rush Hour Incentives” as a demand response program, but neither agency has partnered with NEST. Participating customers would have their gas usage automatically curtailed during peak periods and would receive small financial incentives for doing so. This technology exists and requires no additional smart meter installation. It could be implemented immediately.

Comment 5, p. 20 Demand Response II

¹ EIA Weekly Gas Prices for Los Angeles, all formulations.
https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=EMM_EPM0_PTE_Y05LA_DPG&f=W

Proposed addition: The report should include data about demand response. What percent of SoCalGas customers currently have smart meters? What percent of the demand do these customers represent?

Rationale: The urgency of the winter season dictates that we should probably be implementing programs with existing smart meter customers, so it would be useful to know how much potential for reduction there could be.

Comment 6, p. 22 LNG

I do not support the inclusion of LNG shipments as a potential mitigation strategy. LNG compressors require a large amount of energy and total GHG emissions from LNG are about 9% above conventional gas². Providing ourselves the option of a dirtier fuel is going to make it harder to get to the new 40% reduction in GHG emissions mandated by SB32. There is also some concern that this additional LNG will be supplied by Sempra itself which may lead to price manipulation. Let's stick to the smarter procedures that include daily balancing and demand response. **Please remove the LNG shipment action from the list of proposed mitigation measures.**

² Abrahams, L. S., Samaras, C., Griffin, W. M., & Matthews, H. S. (2015). Life Cycle Greenhouse Gas Emissions From US Liquefied Natural Gas Exports: Implications for End Uses. *Environmental science & technology*, 49(5), 3237-3245.