



October 20, 2016

Dear Neighbor:

It's been just about a year since we detected a natural gas leak in one of the wells at the Aliso Canyon storage field. There is no doubt this was a serious incident, and we regret the disruption it caused.

Residents in and around Porter Ranch have raised questions about the safety of Aliso Canyon going forward. I'd like to share with you the progress we have made - and continue to make - in compliance with all new regulations and state law.

TECHNOLOGY, SAFETY, AND INFRASTRUCTURE ENHANCEMENTS

Over the last year, we've made a series of technology and safety enhancements as well as upgrades to the infrastructure at our Aliso Canyon natural gas storage facility.

Some of those technology and safety enhancements include an infrared methane detection system, continuous pressure monitoring, twice daily patrols to visually examine every well, and daily infrared video scanning, all of which provide a sound approach to maintaining the integrity of the wells at the field.

We also put in place an air quality notification plan that allows members of the local communities to sign up to receive prompt notifications (via phone call, text message, and/ or email) in the event of a reportable release of natural gas.

In addition, SoCalGas® has upgraded the wells that will be placed back into service when the Division of Oil, Gas and Geothermal Resources' (DOGGR) Comprehensive Safety Review is completed. We have replaced the inner tubing in every approved storage well with new steel piping. In total, more than 40 miles of new piping has been installed in wells that have received approval from DOGGR.

Withdrawal and injection of natural gas will only occur through this newly-installed steel piping, which will provide an additional layer of protection against potential leaks.

To strengthen communications with the Porter Ranch community, we have also initiated a new Porter Ranch community advisory council. This group consists of residents, business owners and community leaders throughout the Porter Ranch area, as well as representatives from the Los Angeles Police Department, the Los Angeles Fire Department and local schools.

MAKING PROGRESS

SoCalGas continues to make significant progress towards completing DOGGR's Comprehensive Safety Review. Once we have met all of the requirements of that review, we will request regulatory approval to begin replenishing the supply of natural gas at the facility to support the heating, cooking, and electricity needs of millions of residents and businesses across Southern California.

However, we know that our work is not done. We will deliver on our commitments to mitigate the natural gas emissions from the leak, fund a long-term health study, and complete the root-cause-analysis into what caused the leak. I look forward to updating you on all of these initiatives soon.

Sincerely,

Dennis Arriola
Chairman and CEO | SoCalGas