

BACKGROUND

Since October 23, 2015 SoCalGas[®] has been working to stop a leak at a natural gas storage well at our Aliso Canyon storage field. We understand the leak has created concerns, heightened awareness and public urgency. We are deeply sorry and know the situation is frustrating. SoCalGas has the same urgency and our highest priority is to safely stop the leak as quickly as safety will allow, support the affected customers, and reduce the amount of natural gas emitting into the environment during this unfortunate situation.

We have teamed up with world-class experts as well as state and local agencies to stem the flow of natural gas. Those steps have included fluid pumping techniques to overcome the pressure in the well, reservoir pressure management techniques, and strategies to reduce the amount of odorant reaching the community.

Unfortunately our efforts to stop the leak using fluid pumping techniques have not been successful. We are now drilling a relief well that we will use to intercept the leaking well. Once the relief well is connected to the leaking well, fluids will be pumped to stop the gas flow. The next step will be to pump cement into the bottom of the well to permanently seal it.

On December 4th, we began drilling the relief well and have made significant progress. However this activity is expected to take three to four months because of the complexity of locating the leaking well thousands of feet below ground.

FOLLOWING ARE ANSWERS TO QUESTIONS WE'VE BEEN ASKED:

Is the gas leak harmful to breathe?

We agree with the assessment of the L.A. County Public Health department which has said, "Methane level readings in Porter Ranch are substantially lower than flammable limits and do not pose a health concern to residents in the area." In addition to methane, natural gas contains an added odorant, and the smell of that odorant may cause short-term symptoms in some people. The public health department has said that "odors are not associated with long-term health effects."

Since SoCalGas began air quality monitoring shortly after the leak was discovered, none of the samples returned any findings that pose a health risk to the community or to workers at the facility. Air sampling results from our tests are available at **www.AlisoUpdates.com**.



How can I apply for air filtration or air purification offerings?

Residents who are bothered by the odors can apply for in-home air filtration and air purification systems offered free of charge by SoCalGas. To sign up for installation, please call SoCalGas' Aliso Canyon hotline at (818) 435-7707 or email AlisoCanyon@SoCalGas.com.

What if I want to relocate?

For residents in neighboring communities who wish to relocate, we are providing free, temporary housing accommodations, including locations that can accommodate residents with disabilities and people with access and functional needs. In addition, we have secured temporary housing for residents that offer pet-friendly housing. To receive temporary housing accommodations, please call us at 404-497-6808 and indicate that you are a SoCalGas customer calling about an Aliso Canyon claim. This call center is staffed 24 hours a day, 7 days a week.

What is SoCalGas doing to help reduce the amount of gas leaking?

While the relief well is being drilled, SoCalGas is adding measures to address the concerns of Porter Ranch residents, as well as potential impacts to the environment. Currently, there are no gas injections into the storage field, and withdrawals are taking place to reduce the reservoir pressure which should reduce the amount of natural gas that is emitted from the leaking well.

Additionally, as work continues on the relief well, we have also redoubled our efforts to slow the leak and reduce odors. This includes a newly completed effort to reconnect the well to a withdrawal pipe in order to capture escaping gas. SoCalGas will continue to monitor the well pressures 24/7 to ensure conditions remain safe.

What is the process for the relief well?

This relief well is being drilled to intercept the leaking well at more than 8,000 feet below ground. The drilling process is operating 24/7, and should take three to four months to complete. To date, we have drilled about 1,200 feet and have completed the first of five phases of the drilling.

Once the relief well intercepts the leaking well, SoCalGas will pump fluids and cement into the bottom of the leaking well to stop the flow of natural gas and permanently seal the well.

Why does the relief well take so long?

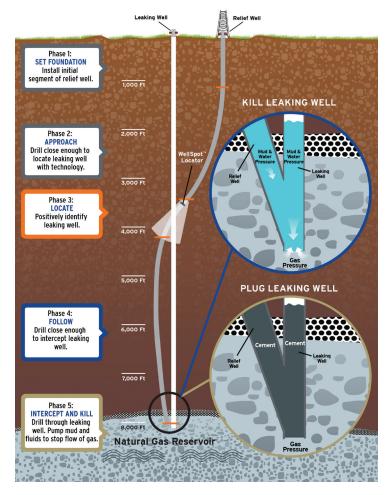
It is a long process because it essentially involves steering a tool to find a seven-inch pipe, more than a thousand feet away, thousands of feet below ground. Magnetics are used to locate the leaking well.

Why do we even need this storage facility?

As the largest storage facility on the SoCalGas system, Aliso Canyon enables SoCalGas to provide reasonably-priced, uninterrupted service to our customers during a variety of system conditions. Large and small customers are able to avoid the brunt of supply shortages, temporary price spikes, pipeline outages, and other system upsets by storing and withdrawing large quantities of natural gas at Aliso Canyon. Because Aliso Canyon feeds directly into the LA Basin, its beneficial capabilities are particularly important for customers in Los Angeles County and surrounding areas. This includes electric generators that serve the LA Basin, which are powered in large part by natural gas.

Where can I go for more information?

Visit www.AlisoUpdates.com for more information. If you have questions or concerns, you can also call our 24 hour hotline at 818-435-7707, or visit our new Community Resource Center at 19731 Rinaldi Street at the Porter Ranch Town Center.





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