

PUBLIC FORUM

FREQUENTLY ASKED QUESTIONS



ENVIRONMENTAL IMPACT REPORT

Q: *Why hasn't an Environmental Impact Report (EIR) been done for this project?*

A: SoCalGas collaboratively works with multiple regulatory agencies with oversight of our operations. Whether California Environmental Quality Act (CEQA) review is required by an agency for a project depends on whether the project is subject to a public agency's discretionary approval. Of those projects subject to CEQA, an EIR is prepared by a lead agency if that agency determines that the project may have a significant effect on the environment. For this project, CEQA review is not being undertaken because the scope of the modernization project does not require discretionary approval by any agency. However, SoCalGas prepared a feasibility study that included a third-party evaluation of environmental considerations for the planned project and other site and technology alternatives. Environmental considerations evaluated by Dudek included topic areas that the California Public Utilities Commission (CPUC) examined in data requests as well as some other categories that are typically evaluated in a CEQA EIR, including but not limited to, land use, air quality, greenhouse gas emissions, noise, cultural resources, traffic, and wildfire.

SAFETY

Q: *Is the Ventura compressor station safe?*

A: We understand the public may have concerns about health and safety issues at the Ventura compressor station. The Ventura compressor station has been operating safely and reliably since 1923. The safety and wellbeing of our employees, customers and the

public are foundational to our company. The facility is equipped with a series of safety systems that protect our employees and the neighboring community. Numerous SoCalGas employees also live in the communities we serve, including the City of Ventura.

For example, methane detection sensors monitor potential methane leaks in the compressor building. Also, the station is equipped with an emergency shutdown system that is designed to isolate the station from all energy sources when triggered. In addition, SoCalGas also plans to install methane fence-line monitoring equipment around the Ventura compressor station. This equipment is intended to provide additional transparency and the data will be made available to the public.

Q: *What is SoCalGas doing to protect the community?*

A: For almost 100 years, the SoCalGas compression station has operated safely to deliver energy to the local Ventura community and the Central Coast area. The current location has been an industrial use as early as 1907 and the site has been a compressor station since 1923.

At that time, there were very few residents, if any, near the facility. The area adjacent to the facility was a mix of industrial, oil/gas production, and agricultural.

We strive to be a good neighbor to our community members. One way we are working to improve transparency about operations at the facility is by voluntarily evaluating various methane monitoring systems for the facility. Future methane monitors will be located along the perimeter of the facility, or "fence-

line.” The exact design parameters and the duration of monitoring are still being determined, but the goal is to establish a monitoring system to continuously detect levels of methane at the perimeter of the facility. Operations staff will oversee the monitoring system and take action based on the circumstances. Wind speed and direction will also be tracked, and the information will be made available to the public.

In addition, the preferred project will have a hybrid equipment configuration, consisting of two gas engine-driven compressors and two electric driven compressors. The two gas engine-driven compressors will utilize best in class technology to monitor emissions in compliance with federal, state and local Ventura County Air Pollution Control District requirements. This hybrid equipment configuration will reduce permitted nitrogen oxides (NOx) emissions, which is a precursor to smog formation, by about 75 percent, as compared to the current facility’s permitted emissions.

OVERALL GAS SYSTEM AND COMPRESSOR STATION OPERATIONS

Q: *Are you considering decommissioning the station?*

A: No. The Ventura compressor station is needed in this area to meet the energy demands of residential, commercial and industrial customers located in both Ventura and the Central Coast, so we are not considering decommissioning the station.

Q: *Why is this project needed amid some natural gas bans in SoCalGas’ service territory, is new natural gas infrastructure necessary?*

A: The gas system is foundational to the decarbonized future that has been envisioned by policymakers in our state and around the globe. We will continue investing in infrastructure and innovative technologies, such as hydrogen and renewable natural gas, to maintain a system that delivers affordable, reliable and increasingly cleaner energy that Californians deserve through the energy transition.

In the next quarter century, California’s power demand is expected to double, and this will require an even stronger integrated gas and electric energy system. Electrification and the increased reliance on renewable energy, such as wind and solar, is not possible without increased investment in the gas grid to support wind and solar energy because they are intermittent. Like the electric grid, our gas network is transitioning and evolving to a network that can further support the delivery of low- to zero-carbon fuels such as renewable natural gas and hydrogen.

Q: *Does the gas that flows through the Ventura compressor station support the local community?*

A: Yes, the natural gas that flows through the compressor station directly supports and provides energy to all residents within the local Ventura community as well as 250,000 residents along the Central Coast.

Q: *What is SoCalGas doing to support California in its transition to net-zero greenhouse gas emissions?*

A: SoCalGas’ goal is to advance California’s climate goals through clean, reliable, and innovative energy solutions.

In March 2021, we announced our goal to achieve net zero greenhouse gas emissions in our operations and the energy we deliver by 2045. We are the largest gas distribution utility in North America to set a net zero goal that includes scope 1, 2 and 3 emissions, which are emissions from the energy we use as well as the energy our customers use. Some of the strategies and actions we are in the process of implementing to achieve our goals include:

- ▶ In collaboration with our research partners, fund \$400M for research, design, and development projects in the areas of clean fuels and hydrogen technology and infrastructure by the end of 2025
- ▶ Complete five hydrogen pilot projects by 2025
- ▶ Develop hydrogen infrastructure solutions for the 2028 Olympics
- ▶ Deliver 20 percent renewable natural gas (RNG) to core customers by 2030
- ▶ Demonstrate technical capability for gas distribution to safely support up to 20 percent hydrogen blend by 2030

Also, earlier this year, we announced our Angeles Link proposal, to develop what would be the nation’s largest green hydrogen energy infrastructure system, the Angeles Link, to deliver clean, reliable energy to the Los Angeles region. As proposed, the Angeles Link can:

- ▶ Displace up to 3 million gallons of diesel fuel per day by replacing diesel powered heavy-duty trucks with hydrogen fuel cell trucks
- ▶ Deliver green hydrogen in an amount equivalent to almost 25 percent of the natural gas SoCalGas delivers today

SoCalGas’ goal aligns with the Paris Climate Agreement’s recommendations and reflects the company’s focus on supporting California with a resilient gas grid through the energy transition to support a carbon neutral economy.

FEASIBILITY STUDY ANALYSIS & RESULTS

Q: *Has construction started for the modernization project?*

A: No, there is no construction being done at the compressor station for the modernization project at this time. There may be activity at the compressor station as part of normal operations.

Q: *How did you select the alternate locations that were evaluated in the feasibility study?*

A: A lot of the ideas SoCalGas examined in the feasibility study were the community's ideas about the potential options for the planned modernization project. This work included the careful evaluation of the feasibility of potential alternatives. These alternatives included both alternative equipment configurations, including electric compression, and alternative site locations. The feedback received from the series of community meetings last year was collected and used in evaluating the feasibility of potential alternatives. SoCalGas identified potential new sites by considering site criteria, like property acreage, floodways and proximity to airports, and purpose, need, and objectives of the planned project. The screening process focused on more rural areas with larger parcel sizes outside city limits. Steep slopes were also a consideration for the hillsides adjacent to the City of Ventura due to grading and visibility. Proximity to and the design pressure of the existing pipeline system were considered at a macro level related to constructability and cost. We also engaged third parties to help perform the analysis of the potential options, including those proposed by the community.

Q: *Why was the Current Site – Hybrid alternative the preferred option?*



A: Based on the feasibility study analysis, the Planned Project – Natural Gas Project received the highest overall rankings in the five evaluation categories. However, SoCalGas' preferred alternative is Current Site – Hybrid, which received the second highest ranking over all five categories. This alternative was selected as the preferred alternative because it 1) provides greater NOx emissions reductions as compared to an all-gas option 2) is the

shortest project duration as compared to the alternative site locations; and 3) reduces the project cost burden to our customers as compared to the alternative site locations.

Q: *Why wasn't the Devil's Canyon – Hybrid alternative the preferred option if it received the highest Environmental score?*



A: While the Devil's Canyon Road – Hybrid alternative scored the highest in environmental considerations, it did so with less than one percent difference between it and the current site when equipped with hybrid compression technology. Further, it does not achieve the greatest overall benefit across the five categories that were evaluated. The Devil's Canyon Road site is not located along the pipeline corridor, but is privately owned and in use for petroleum production activities. Acquisition, if even possible, could take years. Moreover, the Devil's Canyon site would likely require several additional years to mitigate environmental concerns and make the site ready to construct. As our operational equipment is currently in need of replacement, the additional years of delay render it an unsuitable option to implement.

Q: *Why not install four electric compressors?*

A: SoCalGas evaluated an all-electric compression option but determined that it would not provide reliable compression in the event of a power failure. SoCalGas has a mandate to provide natural gas service to customers on the Central Coast and within its entire service area. The reliability of the Ventura compressor station is critical. If SoCalGas lost electric power with an all-electric compressor option, this could impact customer demand and to replenish the La Goleta storage field. With increasing frequency, Public Safety Power Shutoffs (PSPS) on the Southern California Edison (SCE) electric grid destabilize the energy delivery system and compromise reliability. Locally, wildfire risk is an ever-present threat. The Ventura community was affected by the Thomas Fire that began in December 2017, resulting in damage to more than 280,000 acres and destroying more than 1,000 buildings. Power was

lost during the fire for several hours and subsequently SCE has initiated PSPS events during high wind conditions.

Q: *Why not reduce the total compressors at the station to just two electric compressors?*

A: An option with two compressors only (regardless of being electric or natural gas compressors) would not provide the necessary compression to meet local demand and support the La Goleta Storage Field. The purpose of the modernization project is not to expand natural gas service, but rather to allow SoCalGas to continue to serve existing customers. In the 40 years since the compressors were put into service, the local natural gas production along the coast of California has decreased, which has increased the need to offset the reduction with supply from other parts of our system through the Ventura compressor station. Replacing the existing compressors with four new units is necessary to accommodate day-to-day changes in the use of the compressor station but does not impact the annual quantity of gas moving through the Ventura compressor station. The new configuration will allow the station to respond to the larger pressure difference between the gas coming into and leaving the station.

Q: *Could a smaller compressor station be built with reduced gas demand in Santa Barbara?*

As previously noted, an option with two compressors only (regardless of being electric or natural gas compressors) would not provide the necessary compression to meet local demand and support the La Goleta storage field.

Q: *How long would it take to implement the preferred option?*

A: Construction would begin after further engagement with the CPUC and upon receiving the applicable ministerial permits for the project. The Ventura County Air Pollution Control District permit may take six to 18 months for processing. Engineering, procurement and construction is anticipated to take 30 to 36 months due to site preparation, pipeline and utility modifications, minimal SCE electrical system modifications, and building construction and equipment installation. In total, we anticipate the project to take between 36 to 54 months or three to five and half years.

Q: *What are the next steps?*

SoCalGas will continue to engage with the CPUC, the regulatory agency with primary oversight of our operations, in moving forward with the Preferred Alternative. We will also continue to routinely share updates about the project with the community.

COMMUNITY OUTREACH

Q: *How does SoCalGas plan to stay in touch with the community about the project?*

A: Being part of the Ventura community is something SoCalGas takes pride in, and we always strive to be a good neighbor. As we continue delivering natural gas in a safe, reliable, and affordable manner, SoCalGas has renewed our commitment to enhanced transparency with the community regarding the operation of our Ventura compressor station and the planned modernization project. As part of that commitment, we have established new channels of communication with our neighbors in Ventura.

In 2021, we introduced a community newsletter with updates about construction and other activities occurring at the Ventura compressor station. That newsletter is distributed to 2,600 nearby homes and businesses, posted on the SoCalGas website, and amplified across our social media platforms.

We also established a dedicated project webpage in English and Spanish with project updates and related information. It lists a project email and phone so the public may contact SoCalGas directly for more information. We will continue to provide updates.

Throughout 2021 and earlier this year, SoCalGas continuously briefed local stakeholders about the planned project work and will continue to engage. This included hosting eight community workshops in April/May 2021 and seven project town halls meetings in October 2021. We also hosted six public forum meetings in March 2022.

Community feedback and comments were collected at the town halls which were later incorporated into the feasibility study process. We hear your concerns and renew our commitment to more frequent, proactive communications and community engagement. Our goal is to keep the community informed of our work and to increase the community's understanding of how the Ventura Compressor Station helps us provide reliable energy service to more than a quarter million customers.

