January 3, 2018

The Honorable Edmund G. Brown Jr.
Governor, State of California
State Capitol
Sacramento, CA 95814

RE:  Opposition to the California Public Utilities Commission emergency moratorium on new natural gas service connections

Dear Governor Brown,

On behalf of the Los Angeles Area Chamber of Commerce, I am writing to urge you to oppose to the California Public Utilities Commission’s (CPUC) proposed resolution to issue an emergency moratorium on natural gas connections to new commercial and industrial operations served by Aliso Canyon Natural Gas Services Facilities (Aliso Canyon) in Los Angeles County from January 11, 2018 to March 31, 2018.

This proposed moratorium will jeopardize over 700 projects in Los Angeles that are currently under construction or in the planning phase. Hospitals, hotels and restaurants are among the businesses that will be negatively affected by this moratorium. The implementation of this resolution will not only harm the businesses scheduled to receive services, but also the jobs they will create. This action would have no effect on short-term reliability issues facing Southern California this winter, and instead will generate significant and unwarranted negative impacts on the affected developments.

The CPUC issued the moratorium in response to energy reliability concerns related to Aliso Canyon for the 2017-2018 period. However, as Los Angeles has experienced above average temperatures over the last few months, there should be sufficient natural gas reserves. Halting new industrial and commercial connections at this point will have a negligible impact on reliability concerns, but a significant impact on our economy. Instead, we request you urge the CPUC to help Los Angeles County find reasonable solutions to address the important concerns about energy shortages.

There are alternative solutions to short-term reliability issues that would be more effective. We strongly oppose this moratorium and urge you to ask the CPUC to retract the resolution.

Sincerely,

Gary Toebben
President & CEO