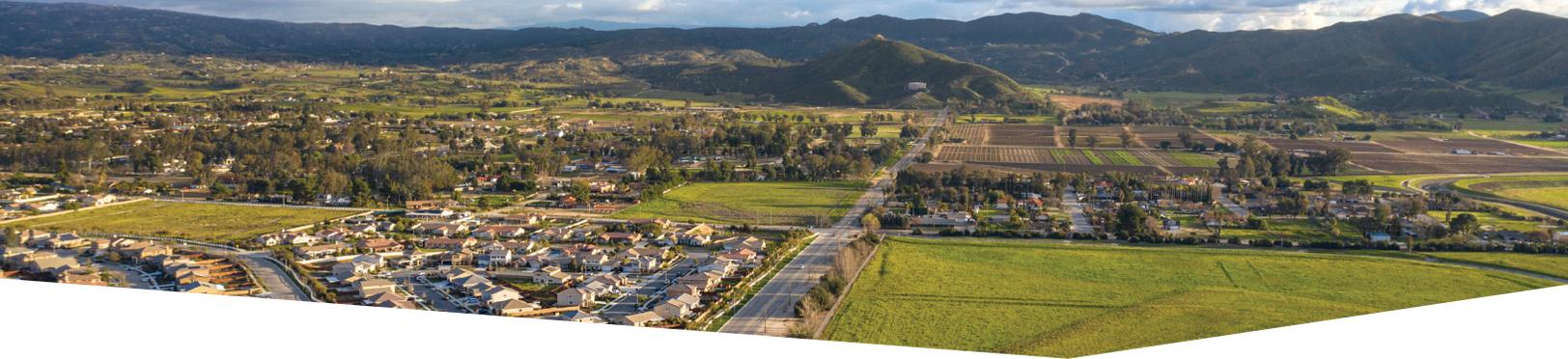


# HONOR RANCHO STORAGE FACILITY



## Meeting Customers' Energy Needs

SoCalGas natural gas storage operations in Santa Clarita have played a key role in meeting the region's energy needs for nearly 50 years. SoCalGas delivers safe, reliable natural gas to nearly 21 million consumers throughout Central and Southern California. In a December 2023 decision, the California Public Utilities Commission (CPUC) found that, "Natural gas storage facilities play a crucial role in protecting customers from reliability issues and adverse rate impacts in the electricity and gas sectors". Natural gas storage is typically filled during lower-demand, lower price times of the year and used when demand and prices are high. As such, storage helps serve as insurance against high or volatile natural gas prices.

Honor Rancho has porous rock formations that were once natural reservoirs of oil and gas for millions of years. They are now used to store natural gas that is withdrawn as needed to help balance supplies with customer demand. These subterranean rock formations are sealed by impermeable shale rock more than 2,000 feet thick and more than a mile beneath the earth's surface.

## Compressors at Storage Facilities

Compressors provide the mechanical means to inject natural gas into underground storage reservoirs, playing a crucial role in the overall safe and reliable operation of SoCalGas' natural gas system. During periods of low demand, natural gas is injected and stored into these reservoirs.

When customer demand on the gas system requires additional supply, valves and other equipment at SoCalGas' storage fields can be activated to allow gas to flow from the natural gas storage reservoirs into SoCalGas' transmission and distribution system.



## The Honor Rancho Compressor Modernization Project

The Honor Rancho Storage Facility is critical to gas system reliability and electric generation resiliency in the Santa Clarita Valley and greater Los Angeles area.

The Honor Rancho Storage Field has been operating safely and reliably since 1976. The 48-year-old infrastructure replacement to comply with new South Coast Air Quality Management District (SCAQMD) air emissions requirements. In June 2022, SoCalGas submitted a Permit to Construct application for the Honor Rancho Compressor Modernization Project. The main purposes of the project are to:

- Modernize the Honor Rancho Storage Field through the replacement of aging natural gas fueled compressors with a combination of new natural gas fueled and electric driven compressors and other innovative technology that will achieve significant reductions in nitrogen oxide (NOx) emissions
- Comply with SCAQMD Rules 1110.2/1100 (stationary engines)
- Enhance reliability by modernizing aging equipment and ancillary systems.

**95% reduction\***  
in smog forming pollutant emissions is anticipated after the equipment upgrade.

The Facility is equipped with a series of safety systems that protect our employees, contractors, and the neighboring community. It includes an emergency shutdown system, pressure safety valves, and various safety system sensors (including methane, fire, and vibration). All these systems are routinely checked and verified for proper operation. The compressor station is also staffed by onsite employees and is monitored 24 hours a day.

\* Revised Prepared Direct Testimony of Larry T. Bittleston and Steve Hruby (Gas Storage Operations and Construction) before the Public Utilities Commission of the State of California, August 2022.

