

SUPPLEMENTAL ENVIRONMENTAL PROJECTS (SEPS)

Pursuant to the Consent Decree relating to with the October 2015 natural gas leak from the Aliso Canyon storage facility, SoCalGas will pay \$45.4 million for supplemental environmental projects (SEP) to be selected solely by the Attorney General, the City Attorney, and the County. The SEP Agreement establishes the Aliso Supplemental Environmental Project Fund (“Aliso Fund”) and describes a number of projects that shall be funded. It also establishes procedures for additional projects to be selected for funding. The Aliso Fund will be an account within and administered by the Attorney General’s Office.

Projects

1. **Improvement of Air Quality at Public Schools in Environmental Justice Communities in the City or County of Los Angeles.**
\$7,100,000 will be used to fund installation by the South Coast Air Quality Management District (“SCAQMD”) of air filtration systems in public schools in Environmental Justice Communities in the City or County of Los Angeles. The schools selected by SCAQMD for receipt of these funds shall be those that are heavily impacted by air pollutants, but have not yet received funding for air filtration systems. SCAQMD shall select schools by focusing on reaching the youngest children in the most impacted areas first. SCAQMD shall also attempt to identify schools in Environmental Justice Communities of Los Angeles County where no schools have received funding for school air filtration systems.
2. **Enhanced Air Monitoring and Environmental Reporting in Porter Ranch and Other Locations in Los Angeles County**
\$3,000,000 will be used to develop a real-time air monitoring network and a symptom and incident reporting system in (1) Porter Ranch and the communities surrounding the Aliso Canyon facility, and (2) one or more Environmental Justice Communities within the County that does not already have such a network/system in place. The data collected from the air monitoring networks shall be made available to the public in near real-time by publishing the results on a public website.
3. **Los Angeles Breathmobile**
\$2,000,000 will be used to purchase, or help subsidize the purchase of, up to three (3) new electric Breathmobile mobile asthma clinics and related infrastructure for use by the LAC+USC Breathmobile Program in the areas that are most heavily impacted by air pollution.
4. **Purchase of Electric School Buses and Infrastructure for LAUSD and/or School Districts within County of LA**
\$3,000,000 will be used to purchase electric school buses and related infrastructure for use in public schools in LAUSD or other school districts within Los Angeles County that serve Environmental Justice Communities that are most heavily impacted by air pollution.
5. **Study of Long-Term Health Effects of Exposure to Natural Gas and its Constituents**
\$25,000,000 will be used to fund a study of the long-term effects of exposure to natural gas and its constituents, including but not limited to methane (the “Health Study”). The implementation of the Health Study shall be overseen by the County Department of Public Health (“LAC DPH”),

which will work closely with a scientific advisory panel, consisting of identified experts in the field chosen from the California Department of Public Health, the California Office of Environmental Health Hazards Assessment (OEHHA), the SCAQMD, CARB, the California EPA, US EPA, and/or LAC DPH, as well as at least one academic experienced in conducting similar long-term health studies (the “Advisory Committee”). The broad goals of the Health Study shall be to contribute to the understanding of the potential short and long-term health impacts of exposure to natural gas and/or the constituents of natural gas. At the conclusion of the third year of the Health Study, and every year thereafter, the Advisory Committee shall conduct a science-based evaluation to determine the value of continuing the Health Study.

6. **Lead-Based Paint Abatement in and around Boyle Heights and Maywood, California**
\$5,200,000 will be used to abate lead-based paint from the interior and/or exterior of residential structures in and around Boyle Heights and Maywood, California. LAC DPH will retain a contractor to conduct the abatement. The homes selected by LAC DPH for lead paint abatement must be in a community that has suffered impacts of releases from the now closed Exide Technologies, Inc. lead-acid battery recycling facility in Vernon, California.

7. **Additional Projects**

Any funds remaining in the Aliso Fund shall be used to fund additional projects that address issues relating to protection of public health and/or the environment and/or alleged harm caused by the leak in the South Coast Air Basin for the benefit of the citizens of California. Additional projects must reduce criteria air pollutants, toxic air contaminants and/or GHG emissions in the South Coast Air Basin, or support efforts to monitor or improve air quality in areas that are most heavily impacted by air pollution in the South Coast Air Basin; must go beyond the requirements of federal, state, and local law; and must not benefit SoCalGas, Sempra Energy, or subsidiaries of either. Preference will be given to projects that reduce air pollution in Environmental Justice Communities, with a priority for projects in the City or County of Los Angeles. The SEP Agreement sets forth detailed procedures for selection of the additional projects, including the establishment of an Aliso Fund Committee (consisting of one representative each from the Attorney General’s Office, the City Attorney’s Office, and the County). The Committee will develop guidelines that set forth standards to use in selecting additional projects, which guidelines shall be subject to a public comment process.