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#### PRELIMINARY STATEMENT

- 1. These responses and objections are made without prejudice to, and are not a waiver of, SDG&E's and SoCalGas' right to rely on other facts or documents in these proceedings.
- 2. By making the accompanying responses and objections to these requests for data, SDG&E and SoCalGas do not waive, and hereby expressly reserves, its right to assert any and all objections as to the admissibility of such responses into evidence in this action, or in any other proceedings, on any and all grounds including, but not limited to, competency, relevancy, materiality, and privilege. Further, SDG&E and SoCalGas makes the responses and objections herein without in any way implying that it considers the requests, and responses to the requests, to be relevant or material to the subject matter of this action.
- 3. SDG&E and SoCalGas will produce responses only to the extent that such response is based upon personal knowledge or documents in the possession, custody, or control of SDG&E and SoCalGas, as set forth in the California Public Utilities Commission ("Commission or CPUC") Rules of Practice and Procedure. SDG&E and SoCalGas possession, custody, or control does not include any constructive possession that may be conferred by SDG&E's and SoCalGas' right or power to compel the production of documents or information from third parties or to request their production from other divisions of the Commission.
- 4. A response stating an objection shall not be deemed or construed that there are, in fact, responsive information or documents which may be applicable to the data request, or that SDG&E and SoCalGas acquiesces in the characterization of the premise, conduct or activities contained in the data request, or definitions and/or instructions applicable to the data request.
- 5. SDG&E and SoCalGas expressly reserves the right to supplement, clarify, revise, or correct any or all of the responses and objections herein, and to assert additional objections or privileges, in one or more subsequent supplemental response(s).
- 6. SDG&E and SoCalGas will make available for inspection at their offices any responsive documents. Alternatively, SDG&E and SoCalGas will produce copies of the documents.
- 7. Publicly available information and documents including, but not limited to, documents that are part of the proceeding record, newspaper clippings, court papers, and materials available on the Internet, will not be produced.

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#### **GENERAL OBJECTIONS**

- 1. SDG&E and SoCalGas object to each instruction, definition, and request to the extent that it purports to impose any requirement or discovery obligation greater than or different from those under the CPUC Rules of Practice and Procedure, Statutes, and the applicable Orders of the Commission.
- 2. SDG&E and SoCalGas object to each request that is overly broad, unduly burdensome, or not reasonably calculated to lead to the discovery of admissible evidence.
- 3. SDG&E and SoCalGas object to each instruction, definition and data request to the extent that it seeks information protected from disclosure by the attorney-client privilege, deliberative process privilege, attorney work product doctrine, or any other applicable privilege. Should any such disclosure by SDG&E and SoCalGas occur, it is inadvertent and shall not constitute a waiver of any privilege.
- 4. SDG&E and SoCalGas object to each instruction, definition and data request as overbroad and unduly burdensome to the extent it seeks documents or information that are readily or more accessible to UCAN from UCAN's own files, from documents or information in UCAN's possession, or from documents or information that SDG&E and SoCalGas previously released to the public or produced to UCAN. Responding to such requests would be oppressive, unduly burdensome, and unnecessarily expensive, and the burden of responding to such requests is substantially the same or less for UCAN as for SDG&E and SoCalGas.
- 5. SDG&E and SoCalGas object to each instruction, definition and data request to the extent that it seeks the production of documents and information that were produced to SDG&E and SoCalGas by other entities and that may contain confidential, proprietary, or trade secret information.
- 6. To the extent any of UCAN's data requests seek documents or answers that include expert material, including but not limited to analysis or survey materials, SDG&E and SoCalGas object to any such requests as premature and expressly reserves the right to supplement, clarify, revise, or correct any or all responses to such requests, and to assert additional objections or privileges, in one or more subsequent supplemental response(s) in accordance with the time period for exchanging expert reports set by the Commission.
- 7. SDG&E and SoCalGas incorporate by reference every general objection set forth above into each specific response set forth below. A specific response may repeat a general objection for emphasis or some other reason. The failure to include any general objection in any specific response does not waive any general objection to that request. Moreover, SDG&E and SoCalGas do not waive their right to amend any responses.

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### **QUESTION 1:**

On Pages 126-127 of the 2016 California Gas Report, SDG&E forecast for Cold Temp Year & Dry Hydro Year 2016 – 2035 is 351 – 333 MMCF/D respectively. SDG&E's October 31, 2016 Semi-Annual Report Table 1 shows 387 – 403 for the same years, respectively. Please explain the reason for the difference in the forecasts.

### **RESPONSE 1:**

As noted in the request, the referenced pages of the 2016 California Gas Report provide <u>annualized</u> forecast demand data for a 1-in-35 cold temperature year and dry hydro year condition. Table 1 of the October 2016 SDG&E Gas Capacity Planning and Demand Forecast Semi-Annual Report provides <u>daily</u> demand forecast data under a different set of temperature conditions, namely the 1-in-35 year peak day and 1-in-10 year cold day mandated design standards.

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### **QUESTION 2:**

Under what circumstances do Sempra Utilities believe all connected load in San Diego would have to be served simultaneously?

### **RESPONSE 2:**

SDG&E and SoCalGas (Applicants) have not represented that all connected load in San Diego would have to be served simultaneously, and it is highly unlikely that all connected load would ever have to be served simultaneously in San Diego. The closest scenario that would approximate this circumstance would require low temperatures coupled with a major electric transmission system outage that would require a high level of local electric generation dispatch to meet electric demand.

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## **QUESTION 3:**

Please refer to response to UCAN DR 4 Q 1. So we can understand the significance of the data provided, please provide a map (or maps) showing the segment locations and segment numbers from the beginning to the end of L-1600.

### **RESPONSE 3:**

Attached is a confidential map, which contains confidential information provided pursuant to the Nondisclosure and Protection Agreement between UCAN and SDG&E/SoCalGas. The map depicts the tabular data listed in the response to UCAN DR 4, Q1 with the segment locations and is numbered from the beginning to the end of Line 1600.

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### **QUESTION 4:**

Please refer to response to UCAN DR 5 Q 5.

- a. Please provide a map or maps showing the planned route for the entire Rainbow to Santee 36" Natural Gas Pipeline as it was envisioned in 1994.
- b. Why was SDG&E planning this 36" line?
- c. Why did SDG&E abandon the project?

### **RESPONSE 4:**

- a. Please see the attached requested map(s).
- b. Based on Applicants' current understanding, at that time SDG&E's long-term gas resource plan indicated that that a new gas transmission pipeline would be needed to meet increasing demand. The pipeline was also planned to interconnect to the existing "16-inch cross-tie" transmission pipeline (now named Line 1601) in Escondido, which would improve system reliability and increase flow.
- c. Limited information from this time period exists, but it is believed that when gas demand did not materialize as envisioned, SDG&E chose to suspend further development of the project.

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## **QUESTION 5:**

Utilizing the 400 firm capacity available at OTAY Mesa, can SDG&E deliver gas to San Diego core and non-core customers in the event of a gas shortage due to a pipeline incident of sudden supply shortfall?

- a. If Yes, how much gas can be replaced via OTAY Mesa and for how long (hours, days, months?) can SDG&E rely on that source?
- b. Assuming SDG&E cannot make arrangements for instantaneous supply in response to an emergency, how long would it take to make arrangements for supply through OTAY Mesa?
- c. If No, why can't this capacity be utilized to provide gas for these emergency occasions?

### **RESPONSE 5:**

Applicants have the ability to utilize the receipt capacity available at Otay Mesa to redeliver gas supply to San Diego customers in the event of a gas shortage due to a pipeline incident or sudden supply shortfall. However, this is solely dependent on the available supply and capacity on the upstream pipeline system at the time of the incident or supply shortfall.

- a. Up to 400 MMcfd of interruptible supply can be delivered to Otay Mesa during a system emergency. If supply is available on the El Paso Natural Gas (EPNG) South Mainline system, then the amount of interruptible capacity available for each scheduling cycle is limited by the amount of firm transportation being scheduled to serve upstream customers in Arizona and Baja California. If this capacity and supply are insufficient to meet the demand of SDG&E customers, gas may be available in limited amounts from Energía Costa Azul (ECA) LNG depending on supply levels at ECA, the willingness of LNG supply owners to sell LNG, the timing of the next tanker delivery, and capacity on the pipelines from ECA to Otay Mesa. Absent available supply and pre-existing contracts for firm capacity on the pipelines from the supply point to Otay Mesa, Applicants cannot rely on any gas delivery at Otay Mesa in the event of a gas shortage due to a pipeline incident or sudden supply shortfall.
- b. In an emergency situation that requires immediate flowing supplies from Otay Mesa, Applicants would first have to find a willing supplier at either Otay Mesa or the EPNG South

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Mainline and then wait for the next scheduling cycle to receive the supplies, which may not be fast enough to help mitigate any potential curtailments or impacts to customers. Additionally, as described in the Prepared Direct Testimony of Jani Kikuts, a relatively shortterm loss of gas supply can lead to gas curtailment, which may require a lengthy effort to restore gas service.

Depending on the availability of supply on the EPNG South Mainline system, and interruptible capacity on the North Baja, Gasoducto Rosarito, and TGN systems, gas can be scheduled for delivery at Otay Mesa during the next available gas scheduling cycle. If interruptible capacity is not available from the EPNG South Mainline to Otay Mesa to meet the full requirements of the outage, the Operational Hub can contact non-affiliates directly for supply at Otay Mesa. Purchases from affiliate suppliers, who are prevalent in the North Baja California gas market, must occur through an Independent Party, where the counterparties are not known until after the transaction is completed. This process requires the posting of an offer/bid on the InterContinental Exchange (ICE) and an affirmative response from suppliers with available supply at Otay Mesa. The affiliated suppliers would have to be monitoring ICE for this opportunity when the offer/bid is posted.

c. The 400 MMcfd <u>receipt capacity</u> at Otay Mesa receipt point is simply the ability to receive gas up to that volume that is delivered to the receipt point—it does not mean that gas in that volume will be delivered to that receipt point. A gas buyer must direct delivery to such receipt point, and there must be available capacity on pipelines from the supply point to the receipt point to transport the gas there. Absent a contract for firm rights to a certain capacity of such pipelines, the ability to direct delivery of gas to a particular receipt point is dependent upon the capacity available after the firm rights held by others are honored. Such interruptible rights are not dependable in times of emergency because the parties holding firm rights have first rights to use them.