

**APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY &
SAN DIEGO GAS & ELECTRIC COMPANY FOR AUTHORITY TO REVISE THEIR
NATURAL GAS RATES AND IMPLEMENT STORAGE PROPOSALS EFFECTIVE
JANUARY 1, 2020 IN THE TRIENNIAL COST ALLOCATION PROCEEDING**

(A.18-07-024)

(DATA REQUEST CAL ADVOCATES-DR-027)

DATA RECEIVED: 1-2-19

DATE RESPONDED: 1-15-19

The following data request questions pertain to Chapter 1 of the Applicants' testimony, the Prepared and Direct Testimony of Michelle Dandridge.

QUESTION 1:

On page 7 of witness Dandridge's testimony, the witness proposes an allocation of storage capacity to provide reliable year-round supply of natural gas to its core customers under a 1-in-35 cold temperature year and cold peak day. Regarding such planning design standards, please explain:

- a) Whether the Applicants considered the 1-in-10 cold day planning design standard, and if so, how, and state whether or not the Applicants are also proposing one under this standard, including the reason why the Applicants would or would not propose a storage allocation for a 1-in-10 cold day planning design standard;
- b) Please model a 1-in-10-year peak day planning design standard to show how the Applicants proposed allocations and outcomes would differ from the 1-in-35 results presented.

RESPONSE 1:

- a) To meet core reliability standards, no. As stated on page 7, the Commission requires the gas utilities to serve core gas customers in a 1-in-35 cold temperature year (Cold Year) and a 1-in-35 cold peak day (Peak Day).¹ Applicants' proposal is intended to provide core reliability in a 1-in-35 peak day event. The 1-in-35 peak day is colder than a 1-in-10 cold day, and as a result core demand is greater. The proposal meets both design standards by providing enough storage withdrawal capacity to meet the higher demand day for the core. If the Applicants only planned for the 1-in-10 cold day, then the 1-in-35 peak day design standard would not be met.
- b) Since the Applicants are required to meet the stricter 1-in-35 peak day design standard for core reliability, and planning for only a 1-in-10 cold day would not meet the requirements for

¹ Under the "Proposed Rules for the Gas Utility Procurement" that, "The calculation of the amount of capacity to be reserved for the core market shall also take into account the capacity needed to have sufficient gas in storage to serve core peak day and cold winter season requirements." (D.90-09-089, Appendix A, page 4.)

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a 1-in-35 peak day, a 1-in-10 modeling exercise for core (which Applicants have not done) would have no use or relevance.

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QUESTION 2:

Regarding the proposed Aliso Canyon storage inventory of 68.6 Bcf for the test year 2020, please answer the following questions:

- a) Per the 715 Report issued on July 6, 2018, Aliso Canyon's current authorized inventory level is 34 Bcf. How did SoCalGas arrive at a recommended storage capacity of 68.6 Bcf for Aliso Canyon by 2020?
 - a. In your response please provide references for all the assumptions used to arrive at this recommended number for the 2020 test year.
 - b. In your response please make sure to account for the changes SoCalGas assumes (political, technical or other) will take place over the next year and winter (2019 – 2020) to increase the authorized storage capacity of Aliso Canyon to 68.6 Bcf.
- b) The July 6, 2018 715 Report increased Aliso Canyon's authorized working storage inventory capacity from 24.6 Bcf to 34 Bcf, so roughly 10 Bcf. Assuming that the next 715 Report continues to add incremental storage inventory capacity to Aliso Canyon on an annual basis, please explain how the following scenarios with lower Aliso Canyon working storage inventory capacities would impact core inventory, reliability and winter/summer injection and withdrawal:
 - a. Scenario 1: an Aliso Canyon working storage inventory capacity of 44 Bcf;
 - b. Scenario 2: an Aliso Canyon working storage inventory capacity of 54 Bcf.
- c) For both Scenario 1 & 2, please populate Table 1 below. For any changes from Column B, please explain how SoCalGas arrived at the figure in Column E.

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**Table 1:
Storage Allocation by Function**

Column A	Column B	Column C	Column D	Column E
Function	Response to Q1, DR 009 (68.6 Bcf Aliso Canyon Working Storage Inventory)	Scenario 1: 44 Bcf Aliso Canyon Working Storage Inventory	Scenario 2: 54 Bcf Aliso Canyon Working Storage Inventory	Rational for Change from Column B
Core Customer Class	80			
Wholesale Customers	2.5			
Balancing Function	16			
Reliability Function	21			
Total	119.5			

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**Table 2:
Storage Allocation by Function**

Column A	Column B	Column C	Column D
Function	Response to Q1, DR 009 (68.6 Bcf Aliso Canyon Working Storage Inventory)	Scenario 3: 34 Bcf Aliso Canyon Working Storage Inventory	Rational for Change from Column B
Core Customer Class	80		
Wholesale Customers	2.5		
Balancing Function	16		
Reliability Function	21		
Total	119.5		

RESPONSE 2:

- a) As stated in Chapter 1, p. 3, the comprehensive storage allocation proposal is based on Aliso Canyon’s functionality at the DOGGR-approved maximum field pressure. The assumption is the CPUC will adopt a cost allocation based on DOGGR-approved operational capabilities at Aliso Canyon (without restrictions currently in effect), and with the remaining storage fields at full operational capacity levels. See also the Application, pp. 3-4.
- b/c) Applicants have not prepared the requested scenario analyses, because the question’s scenarios lack foundation and are not aligned with the assumptions that formed the basis of Applicants’ storage allocation proposal. As stated in Chapter 1 (p. 4), “[t]he purpose of this testimony, and Applicants’ TCAP proposals, is not to engage in an analysis of those current

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restrictions, or whether and when Aliso Canyon will return to full or increased capacity, as those are or will be addressed in other forums.” However, under any case, Applicants would continue to stress the importance of using available storage assets for core reliability as well as total system reliability.

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QUESTION 3:

The Commission has opened Investigation (I.)17-02-002 to study the feasibility closing Aliso Canyon would have on reliability in Southern California. Under this investigative proceeding, the Commission is proposing an array of assumptions starting in 2020, to examine how reliability in Southern California could be compromised with Aliso Canyon not operating at full capacity. Given this ongoing investigation to which SoCalGas is a part of, and has been tasked to model the various scenarios, please respond to the following questions:

- a) How (if at all) did the Applicants take the assumptions and scenarios proposed in that Investigation into consideration in their storage proposal for Aliso Canyon in this TCAP?

RESPONSE 3:

Applicants did not take any ongoing assumptions or scenarios into consideration for this TCAP that are being addressed in I.17-02-002, as explained in the Application (pp. 3-4).