
**2002
California
Gas
Report**

GLOSSARY

AVERAGE DAY (Operational Definition)

Annual gas sales or requirements assuming average temperature year conditions divided by 365 days.

AVERAGE TEMPERATURE YEAR

Long-term average recorded temperature.

BCF

Billion cubic feet of gas.

BTU (British Thermal Unit)

Unit of measurement equal to the amount of heat energy required to raise the temperature of one pound of water one degree Fahrenheit. This unit is commonly used to measure the quantity of heat available from complete combustion of natural gas.

BYPASS

Most situations in which a customer is directly served by an interstate or intrastate pipeline without utilizing existing local distribution company facilities; however, in some cases direct delivery of gas is not considered bypass, e.g., a portion of California production. See Non-Utility Deliveries.

CALIFORNIA-SOURCE GAS

1. Regular Purchases – All gas received or forecast from California producers, excluding exchange volumes. Also referred to as Local Deliveries.
2. Received for Exchange/Transport – All gas received or forecast from California producers for exchange, payback, or transport.

CNG (Compressed Natural Gas)

Fuel for natural gas vehicles, typically natural gas compressed to 3000 pounds per square inch.

COGENERATION

Simultaneous production of electricity and thermal energy from the same fuel source. Also used to designate a separate class of gas customers.

COLD TEMPERATURE YEAR

Cold design-temperature conditions based on long-term recorded weather data.

COMMERCIAL (SoCalGas & SDG&E)

Category of gas customers whose establishments consist of services, manufacturing nondurable goods, dwellings not classified as residential, and farming (agricultural).

COMMERCIAL (PG&E)

Non-residential gas customers not engaged in electric generation, enhanced oil recovery, or gas resale activities with usage less than 20,800 therms per month.

COMPANY USE

Gas used by utilities for operational purposes, such as fuel for line compression and injection into storage.

CORE AGGREGATOR

Individuals or entities arranging natural gas commodity procurement activities on behalf of core customers. Also, sometimes known as an Energy Service Provider (ESP), a Core Transport Agent (CTA), or a Retail Service Provider (RSP).

CORE CUSTOMERS (SoCalGas & SDG&E)

All residential customers; all commercial and industrial customers with average usage less than 20,800 therms per month who typically cannot fuel switch. Also, those commercial and industrial customers (whose average usage is more than 20,800 therms per year) who elect to remain a core customer receiving bundled gas service from the LDC.

CORE CUSTOMERS (PG&E)

All customers with average usage less than 20,800 therms per month.

CORE SUBSCRIPTION

Noncore customers who elect to use the LDC as a procurement agent to meet their commodity gas requirements.

CPUC

California Public Utilities Commission

CUBIC FOOT OF GAS

Volume of natural gas which, at a temperature of 60 F and an absolute pressure of 14.73 pounds per square inch, occupies one cubic foot.

CURTAILMENT

Temporary suspension, partial or complete, of gas deliveries to a customer or customers.

EG

Electric Generation (including cogeneration) by a utility, customer, or independent power producer.

ENERGY SERVICE PROVIDER (ESP)

Individuals or entities engaged in providing retail energy services on behalf of customers. ESP's may provide commodity procurement, but could also provide other services, e.g., metering and billing.

ENHANCED OIL RECOVERY (EOR)

Injection of steam into oil-holding geologic zones to increase ability to extract oil by lowering its viscosity. Also used to designate a special category of gas customers.

EXCHANGE

Delivery of Gas by one party to another and the delivery of an equivalent quantity by the second party to the first. Such transactions usually involve different points of delivery and may or may not be concurrent.

EXEMPT WHOLESALE GENERATORS (EWG)

A category of customers consuming gas for the purpose of generating electric power.

FERC

Federal Energy Regulatory Commission.

GAS ACCORD

The Gas Accord is a multi-party settlement agreement, which restructured PG&E's gas transportation and storage services. The settlement was filed with the CPUC in August 1996, approved by the CPUC in August 1997 (D.97-08-055) and implemented by PG&E in March 1998. Most of the provisions of the Gas Accord have a term ending December 31, 2002.

Key features of the Gas Accord include the following: unbundling of PG&E's gas transmission service and a portion of its storage service; placing PG&E at risk for transmission service and a portion of its storage service; placing PG&E at risk for transmission and storage costs and revenues; establishing firm, tradable transmission and storage rights; establishing known transmission and storage rates for the term of the Gas Accord; reducing PG&E's role in core gas procurement; and resolving outstanding gas reasonableness and other gas regulatory matters.

GAS SENDOUT

That portion of the available gas supply that is delivered to gas customers for consumption, plus shrinkage.

HEATING DEGREE DAY(S)

A Measure of how much below a standard reference temperature (SoCalGas and SDG&E: 65F; PG&E 60F) actual temperatures have been. A basis for computing how much electricity and gas are needed for space heating purposes.

HOT TEMPERATURE YEAR

Hot design-temperature conditions, based on long-term recorded weather data.

INDUSTRIAL (SoCalGas & SDG&E)

Category of gas customers who are engaged in mining and in manufacturing durable goods.

INDUSTRIAL (PG&E)

Non-residential customers not engaged in electric generation, enhanced oil recovery, or gas resale activities using more than 20,800 therms per month.

LDC

Local electric and/or natural gas distribution company.

LNG (Liquefied Natural Gas)

Natural gas in its liquid state.

MMBTU

Million British Thermal Units.

MMCF

Million cubic feet of gas

MMCF/DAY

Million cubic feet of gas per day.

NGV (Natural Gas Vehicle)

Vehicle that uses CNG or LNG as its source of fuel for its internal combustion engine.

NONCORE CUSTOMERS

Commercial and industrial customers whose average usage exceeds 20,800 therms per month, including qualifying cogeneration and solar electric projects. Noncore customers assume gas procurement responsibilities and receive gas transportation service from the utility under firm or interruptible intrastate transmission arrangements.

NON-UTILITY DELIVERIES

The volume of gas delivered directly to customers by an interstate or intrastate pipeline or other independent source instead of the local distribution company.

OFF-SYSTEM SALES

Gas sales to customers outside the utility's service area.

OUT-OF-STATE GAS

Gas from sources outside the state of California.

PRIORITY OF SERVICE (SoCalGas & SDG&E)

In the event of a curtailment situation, utilities curtail gas usage to customers based on the following end-use priorities:

NONCORE SERVICE

Firm Service – All noncore customers served through firm intrastate transmission service, including core subscription service.

Interruptible – All noncore customers served through interruptible intrastate transmission service, including inter-utility deliveries.

PRIORITY OF SERVICE (PG&E)

In the event of a curtailment situation, PG&E curtails gas usage to customers based on the following end-use priorities:

- Core Residential
- Non-residential Core
- Noncore using firm backbone service (including UEG)
- Noncore using as-available backbone service (including UEG)
- Market Center Services

PSIA

Pounds per square inch absolute. Equal to gauge pressure plus local atmospheric pressure.

PURCHASES FROM OTHER UTILITIES

Gas purchased from other utilities in California.

REQUIREMENTS

Total potential demand for gas, including that served by transportation, assuming the availability of unlimited supplies at reasonable cost.

RESALE

Gas customers who are either another utility or a municipal entity that, in turn, resells gas to end-use customers.

RESIDENTIAL

A category of gas customers whose dwellings are single-family units, multi-family units, mobile homes or other similar living facilities.

SHORT-TERM SUPPLIES

Gas purchased usually involving 30-day, short-term contract or spot gas supplies.

SPOT PURCHASES

Short-term purchases of gas typically not under contract and generally categorized as surplus or best efforts.

STORAGE BANKING

The direct use of local distribution company gas storage facilities by customers or other entities to store self-procured commodity gas supplies.

STORAGE INJECTION

Volume of natural gas injected into underground storage facilities.

STORAGE WITHDRAWAL

Volume of natural gas taken from underground storage facilities.

SUPPLEMENTAL SUPPLIES

A utility's best estimate for additional gas supplies that may be realized, from unspecified sources, during the forecast period.

SYSTEM CAPACITY or NORMAL SYSTEM CAPACITY

(Operational Definition)

The physical limitation of the system (pipelines and storage) to deliver or flow gas to end-users.

SYSTEM UTILIZATION or NOMINAL SYSTEM CAPACITY

(Operational Definition)

The use of system capacity or nominal system capacity at less than 100 percent utilization.

TAKE-OR-PAY

A term used to describe a contract agreement to pay for a product (natural gas) whether or not the product is delivered.

TARIFF

All rate schedules, sample forms, rentals, charges, and rules approved by regulatory agencies for used by the utility.

Tcf

Trillion cubic feet of gas.

THERM

A unit of energy measurement, nominally 100,000 BTUs.

TOTAL GAS SUPPLY AVAILABLE

Total quantity of gas estimated to be available to meet gas requirements.

TOTAL GAS SUPPLY TAKEN

Total quantity of gas taken from all sources to meet gas requirements.

TOTAL THROUGHPUT

Total gas volumes passing through the system including sales, company use, storage, transportation and exchange.

TRANSPORTATION GAS

Non-utility-owned gas transported for another party under contractual agreement.

UEG

Utility electric generation.

UNACCOUNTED FOR

Gas received into the system but unaccounted for due to measurement, temperature, pressure, or accounting discrepancies.

UNBUNDLING

The separation of natural gas utility services into its separate service components such as gas procurement, transportation, and storage with distinct rates for each service.

WACOG

Weighted average cost of gas.

WHOLESALE

A category of customer, either a utility or municipal entity, that resells gas.